

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

FORT WAYNE COMMUNITY SCHOOLS
ALLEN COUNTY, INDIANA

July 1, 2009 to June 30, 2011



FILED
03/01/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on the Financial Statement and Supplementary Schedule of Expenditures of Federal Awards	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, and Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis	8-9
Notes to Financial Statement	10-14
Supplementary Information: Combining Schedules of Receipts, Disbursements, and Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis	17-31
Schedule of Capital Assets	32
Schedule of Long-Term Debt	33
Audit Results and Comments: Applies to the School Corporation: Overdrawn Fund Balances	34
Applies to Extra-Curricular Accounts: Overdrawn Fund Balances	34-35
ECA Deposits	35
Grant Monies	35
Use of Extra-Curricular Donations Fund	36
Nonuse of Ticket Sale Form SA-4	36
ECA Ticket Sale Deposits	36
Loans Between Funds	37
Supplemental Audit of Federal Awards: Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133	40-41
Schedule of Expenditures of Federal Awards	44-47
Notes to Schedule of Expenditures of Federal Awards	48
Schedule of Findings and Questioned Costs	49
Auditee Prepared Schedule: Summary Schedule of Prior Audit Findings	50
Exit Conference	51
Official Response	52

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sherry Nidlinger	07-01-09 to 06-30-12
Superintendent of Schools	Dr. Wendy Robinson	07-01-09 to 06-30-12
President of the School Board	Mark GiaQuinta	01-01-09 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TO: THE OFFICIALS OF THE FORT WAYNE COMMUNITY SCHOOLS, ALLEN COUNTY, INDIANA

We have audited the accompanying financial statement of the Fort Wayne Community Schools (School Corporation), for the years ended June 30, 2010 and 2011. 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 basis of accounting noted above is a different basis than that used in the prior year.

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 years ended June 30, 2010 and 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated February 2, 2012, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(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 has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, 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, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the financial statement. The Combining Schedules of Receipts, Disbursements, Other Financing Sources (Uses), and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt have not been subjected to the auditing procedures applied by us in the audit of the 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.

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

February 2, 2012



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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 FORT WAYNE COMMUNITY SCHOOLS, ALLEN COUNTY, INDIANA

We have audited the financial statement of the Fort Wayne Community Schools (School Corporation), for the years ended June 30, 2010 and 2011, and have issued our report thereon dated February 2, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our 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 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.

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

February 2, 2012

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.

FORT WAYNE COMMUNITY SCHOOLS
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2010 and 2011

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
General	\$ 2,350,393	\$ 201,810,230	\$ 201,236,650	\$ (1,194,167)	\$ 1,729,806	\$ 201,636,471	\$ 201,960,100	\$ 572,658	\$ 1,978,835
Racial Balance	4,532	9,538,803	7,198,768	(350,000)	1,994,567	6,160,721	7,311,823	-	843,465
Debt Service	490,845	17,428,506	13,109,404	-	4,809,947	13,587,916	12,698,231	-	5,699,632
Pension Debt	3,281	5,629,164	5,632,445	-	-	3,894,810	3,894,810	-	-
Capital Projects	2,722	29,308,577	20,858,213	1,285	8,454,371	19,654,334	21,398,952	8,682	6,718,435
Transportation Operating	398,283	24,586,958	16,570,274	80,242	8,495,209	15,733,275	17,648,574	(333,352)	6,246,558
School Bus Replacement	1,166	1,284,165	1,285,331	-	-	2,592,965	2,592,965	-	-
Preschool	1,519	585,750	587,259	(10)	-	-	-	-	-
Retirement/Severance Bond	3,954,246	-	1,271,880	-	2,682,366	-	1,236,871	-	1,445,495
North Side Project	12,555	-	-	-	12,555	-	-	-	12,555
Food Service Center Project	19,670	339,924	-	-	359,594	-	75,604	(275,268)	8,722
Wayne New Technology	1,622,379	-	1,219,932	-	402,447	-	156,697	1,750	247,500
Wayne New Technology QZAB	-	-	433,959	2,000,000	1,566,041	-	780,406	1,990,216	2,775,851
Food Service	4,298,381	14,771,815	13,412,752	(443,000)	5,214,444	15,184,545	13,357,406	(715,800)	6,325,783
Textbook Rental	5,315,444	2,382,345	2,451,491	1,427,099	6,673,397	1,922,045	3,114,978	727,190	6,207,654
Self-Insurance	31,481,214	56,446,261	51,078,229	-	36,849,246	53,253,488	48,649,352	-	41,453,382
Levy Excess	-	327,750	-	-	327,750	-	-	(327,750)	-
Regional Vocational	546,142	4,868,597	4,565,945	(860)	847,934	3,401,617	4,455,117	95,545	(110,021)
Museum of Art	-	281,669	281,669	-	-	157,173	126,661	-	30,512
Educational License Plates	68,467	3,412	17,011	-	54,868	3,619	-	-	58,487
Alternative Education	310,200	149,698	175,624	49,400	333,674	193,526	140,142	63,863	450,921
Early Intervention	-	236,510	236,510	-	-	104,290	104,290	-	-
Ready Schools	-	11,641	11,641	-	-	-	-	-	-
Donations	388,954	389,806	500,854	-	277,906	342,982	220,193	-	400,695
Donation Grants	-	173,988	71,277	-	102,711	185,152	241,899	-	45,964
Access Channel	55,772	218,690	154,181	-	120,281	232,902	155,196	-	197,987
Wallace Readers	483,796	555,628	545,829	-	493,595	2,693	458,492	-	37,796
Education Improvement	-	-	350,000	350,000	-	-	-	-	-
League (Knight Grant)	12,337	8,999	6,501	-	14,835	-	3,744	-	11,091
Foellinger Grant	99,605	-	99,605	-	-	-	-	-	-
Foellinger Parent Enrichment	-	-	-	-	-	2,255	2,255	-	-
Scholarships	147,286	37,250	44,164	-	140,372	44,735	41,246	-	143,861
Unemployment	180,000	-	-	-	180,000	-	-	-	180,000
Driver Education	72,339	112,137	163,860	-	20,616	75,027	104,671	-	(9,028)
Common School	(1,204)	541,755	1,906,612	-	(1,366,061)	3,059,584	1,710,183	-	(16,660)
(STAA) School Technology Advancement	(183,762)	478,216	515,932	-	(221,478)	1,163,865	942,387	-	-
Continuing Education	201,687	970,632	953,752	18,790	237,357	912,753	749,192	16,149	417,067
Neighborhood Connection	(20,093)	93,739	105,200	-	(31,554)	66,411	80,845	-	(45,988)
Medicaid Reimbursement State	41,408	138,770	-	(151,274)	28,904	136,558	-	(147,315)	18,147
Non-English Speaking Program	74,938	316,390	336,607	-	54,721	263,799	309,340	-	9,180

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

FORT WAYNE COMMUNITY SCHOOLS
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended June 30, 2010 and 2011
(Continued)

	Cash and Investments 07-01-09	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-10	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-11
School Technology	1,104,631	569,342	678,350	-	995,623	227,788	810,479	-	412,932
Career Center Building	32,861	-	117,921	149,135	64,075	-	93,304	72,096	42,867
Food Service Equipment	1,451,337	9,547	483,546	443,000	1,420,338	13,063	520,881	716,000	1,628,520
Warehouse	715,418	717,884	645,660	2,474	790,116	310,922	529,217	4,201	576,022
Gifted and Talented	32,796	161,374	139,391	-	54,779	158,956	176,447	-	37,288
Professional Development	512,833	65,000	241,381	-	336,452	-	210,467	-	125,985
Arts in Education	-	1,934	1,934	-	-	1,875	2,500	-	(625)
Title I Delinquent	11,638	608,340	673,074	-	(53,096)	445,170	455,005	-	(62,931)
School Improvement	368,033	525,965	675,739	-	218,259	-	218,259	-	-
Title I School Improvement Section 1003-g	38,746	474,259	570,763	-	(57,758)	333,605	312,145	-	(36,298)
Title I	(1,519,384)	12,776,922	11,757,874	-	(500,336)	9,559,017	10,295,329	-	(1,236,648)
State Grants for Innovative Programs	17,550	26,171	43,721	-	-	-	-	-	-
Education for Homeless Children and Youth	65,661	-	64,397	-	1,264	29,340	30,604	-	-
Special Education Basic	(590,709)	7,963,502	8,184,125	-	(811,332)	8,117,954	8,510,904	-	(1,204,282)
Special Education Preschool	(75,678)	275,775	189,191	-	10,906	280,898	343,115	-	(51,311)
Adult Basic Education	6,631	260,761	247,753	-	19,639	429,673	553,871	-	(104,559)
Safe and Drug Free Schools	99,317	175,179	257,843	-	16,653	139,391	159,206	-	(3,162)
Indiana Tech Prep Grant	-	-	-	-	-	29,575	32,391	-	(2,816)
Vocational Education	39,903	866,830	1,026,992	-	(120,259)	872,606	848,660	-	(96,313)
Project Lead the Way	(3,004)	12,951	18,923	-	(8,976)	8,976	-	-	-
Medicaid Reimbursement Federal	480,735	427,934	100,077	(10,244)	798,348	388,815	122,615	(12,863)	1,051,685
Fort Wayne Freedom Studies	-	-	-	-	-	1,384	8,711	-	(7,327)
Smaller Learning Communities	(152,155)	917,718	883,117	-	(117,554)	1,064,303	1,052,905	-	(106,156)
Improving Teaching Quality State Grants	164,287	1,691,293	1,946,541	-	(90,961)	1,697,654	1,736,940	-	(130,247)
Education Technology State Grants	-	176,000	249,281	-	(73,281)	118,000	44,719	-	-
English Language Acquisition Grants and Refugee Child	21,080	269,410	270,770	-	19,720	345,380	403,232	-	(38,132)
Reading First	(113,191)	635,152	652,291	-	(130,330)	608,898	478,568	-	-
Economic Stimulus Grant Fiscal Stability	-	6,180,736	6,180,736	-	-	-	-	-	-
Economic Stimulus Title I Grants to LEAs	-	3,372,409	3,179,511	-	192,898	4,348,481	5,015,383	-	(474,004)
Economic Stimulus Title I School Improvement	-	-	-	-	-	32,441	53,367	-	(20,926)
Economic Stimulus Grant Special Education	770,055	2,719,773	3,898,576	-	(408,748)	3,784,163	3,857,519	-	(482,104)
Economic Stimulus Special Education Preschool	-	89,378	98,479	-	(9,101)	119,678	125,246	-	(14,669)
Economic Stimulus McKinney - Vento Education for Homeless	-	30,000	30,000	-	-	10,000	10,000	-	-
Economic Stimulus School Lunch Equipment	-	38,500	38,500	-	-	-	-	-	-
Economic Stimulus Title I Part D Delinquent	-	135,482	123,333	-	12,149	224,582	258,302	-	(21,571)
Payroll	6,276,581	214,721,881	214,531,354	-	6,467,108	200,764,883	200,756,205	-	6,475,786
Totals	<u>\$ 62,190,474</u>	<u>\$ 630,925,177</u>	<u>\$ 605,590,505</u>	<u>\$ 2,371,870</u>	<u>\$ 89,897,016</u>	<u>\$ 578,436,982</u>	<u>\$ 582,749,118</u>	<u>\$ 2,456,002</u>	<u>\$ 88,040,882</u>

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

FORT WAYNE COMMUNITY SCHOOLS
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 (primary government).

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.

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

C. Cash and Investments

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

D. Receipts

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

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

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

State sources which include distributions from the State of Indiana 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.

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

Federal sources which include distributions from the federal government 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 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, 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 include the following:

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

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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 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.

FORT WAYNE COMMUNITY SCHOOLS
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. These risks may also be mitigated by the School Corporation by recording as a disbursement and replacement items purchased.

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:

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy and Annual Pension Cost

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

B. Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

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 prepared and/or approved by management of the School Corporation. It is presented as intended by the School Corporation.

(This page intentionally left blank.)

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010

	General	Racial Balance	Debt Service	Pension Debt	Capital Projects	Transportation Operating	School Bus Replacement	Preschool	Retirement/ Severance Bond	North Side Project
Cash and investments - beginning	\$ 2,350,393	\$ 4,532	\$ 490,845	\$ 3,281	\$ 2,722	\$ 398,283	\$ 1,166	\$ 1,519	\$ 3,954,246	\$ 12,555
Receipts:										
Local sources	4,632,786	9,538,803	17,428,506	5,604,181	29,303,713	24,586,958	1,262,262	-	-	-
Intermediate sources	547	-	-	-	-	-	-	-	-	-
State sources	190,320,992	-	-	-	-	-	-	585,750	-	-
Federal sources	4,270	-	-	-	-	-	-	-	-	-
Interfund loans	6,850,055	-	-	24,983	-	-	21,903	-	-	-
Other	1,580	-	-	-	4,864	-	-	-	-	-
Total receipts	<u>201,810,230</u>	<u>9,538,803</u>	<u>17,428,506</u>	<u>5,629,164</u>	<u>29,308,577</u>	<u>24,586,958</u>	<u>1,284,165</u>	<u>585,750</u>	<u>-</u>	<u>-</u>
Disbursements:										
Current:										
Instruction	138,762,087	6,012,951	-	-	-	-	-	350,120	829,242	-
Support services	57,272,697	805,817	-	-	9,409,290	16,570,274	425,331	37,139	402,821	-
Noninstructional services	1,194,826	-	-	-	-	-	-	-	27,664	-
Facilities acquisition and construction	370,334	-	-	-	10,048,923	-	-	-	12,153	-
Debt services	-	-	13,109,404	3,885,606	-	-	-	-	-	-
Nonprogrammed charges	576,706	-	-	-	-	-	-	-	-	-
Interfund loans	3,060,000	380,000	-	1,746,839	1,400,000	-	860,000	200,000	-	-
Total disbursements	<u>201,236,650</u>	<u>7,198,768</u>	<u>13,109,404</u>	<u>5,632,445</u>	<u>20,858,213</u>	<u>16,570,274</u>	<u>1,285,331</u>	<u>587,259</u>	<u>1,271,880</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>573,580</u>	<u>2,340,035</u>	<u>4,319,102</u>	<u>(3,281)</u>	<u>8,450,364</u>	<u>8,016,684</u>	<u>(1,166)</u>	<u>(1,509)</u>	<u>(1,271,880)</u>	<u>-</u>
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	118,161	-	-	-	1,285	80,242	-	-	-	-
Transfers in	161,528	-	-	-	-	-	-	-	-	-
Transfers out	<u>(1,473,856)</u>	<u>(350,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,194,167)</u>	<u>(350,000)</u>	<u>-</u>	<u>-</u>	<u>1,285</u>	<u>80,242</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(620,587)</u>	<u>1,990,035</u>	<u>4,319,102</u>	<u>(3,281)</u>	<u>8,451,649</u>	<u>8,096,926</u>	<u>(1,166)</u>	<u>(1,519)</u>	<u>(1,271,880)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,729,806</u>	<u>\$ 1,994,567</u>	<u>\$ 4,809,947</u>	<u>\$ -</u>	<u>\$ 8,454,371</u>	<u>\$ 8,495,209</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,682,366</u>	<u>\$ 12,555</u>

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Food Service Center Project	Wayne New Technology	Wayne New Technology QZAB	Food Service	Textbook Rental	Self- Insurance	Levy Excess	Regional Vocational	Museum of Art
Cash and investments - beginning	\$ 19,670	\$ 1,622,379	\$ -	\$ 4,298,381	\$ 5,315,444	\$ 31,481,214	\$ -	\$ 546,142	\$ -
Receipts:									
Local sources	339,924	-	-	3,763,676	1,077,434	48,799,422	327,750	4,868,597	281,669
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	96,622	1,304,911	-	-	-	-
Federal sources	-	-	-	10,911,517	-	-	-	-	-
Interfund loans	-	-	-	-	-	7,646,839	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	339,924	-	-	14,771,815	2,382,345	56,446,261	327,750	4,868,597	281,669
Disbursements:									
Current:									
Instruction	-	-	-	-	-	-	-	3,775,790	-
Support services	-	221,126	215,319	185,358	2,451,491	73,146	-	658,552	-
Noninstructional services	-	-	-	13,227,394	-	-	-	-	281,669
Facilities acquisition and construction	-	998,456	184,589	-	-	-	-	-	-
Debt services	-	350	34,051	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	44,108,142	-	131,603	-
Interfund loans	-	-	-	-	-	6,896,941	-	-	-
Total disbursements	-	1,219,932	433,959	13,412,752	2,451,491	51,078,229	-	4,565,945	281,669
Excess (deficiency) of receipts over disbursements	339,924	(1,219,932)	(433,959)	1,359,063	(69,146)	5,368,032	327,750	302,652	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	2,000,000	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	2,643	-	-	148,275	-
Transfers in	-	-	-	-	1,424,456	-	-	-	-
Transfers out	-	-	-	(443,000)	-	-	-	(149,135)	-
Total other financing sources (uses)	-	-	2,000,000	(443,000)	1,427,099	-	-	(860)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	339,924	(1,219,932)	1,566,041	916,063	1,357,953	5,368,032	327,750	301,792	-
Cash and investments - ending	\$ 359,594	\$ 402,447	\$ 1,566,041	\$ 5,214,444	\$ 6,673,397	\$ 36,849,246	\$ 327,750	\$ 847,934	\$ -

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Educational License Plates	Alternative Education	Early Intervention	Ready Schools	Donations	Donation Grants	Access Channel	Wallace Readers	Education Improvement
Cash and investments - beginning	\$ 68,467	\$ 310,200	\$ -	\$ -	\$ 388,954	\$ -	\$ 55,772	\$ 483,796	\$ -
Receipts:									
Local sources	-	-	-	-	383,395	173,988	218,690	555,628	-
Intermediate sources	3,412	-	-	-	-	-	-	-	-
State sources	-	149,698	236,510	11,641	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	6,411	-	-	-	-
Total receipts	3,412	149,698	236,510	11,641	389,806	173,988	218,690	555,628	-
Disbursements:									
Current:									
Instruction	17,011	175,624	236,510	10,742	328,128	25,421	-	-	350,000
Support services	-	-	-	-	153,206	45,856	154,181	527,840	-
Noninstructional services	-	-	-	576	19,520	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	323	-	-	-	17,989	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	17,011	175,624	236,510	11,641	500,854	71,277	154,181	545,829	350,000
Excess (deficiency) of receipts over disbursements	(13,599)	(25,926)	-	-	(111,048)	102,711	64,509	9,799	(350,000)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	49,400	-	-	-	-	-	462,860	350,000
Transfers out	-	-	-	-	-	-	-	(462,860)	-
Total other financing sources (uses)	-	49,400	-	-	-	-	-	-	350,000
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(13,599)	23,474	-	-	(111,048)	102,711	64,509	9,799	-
Cash and investments - ending	\$ 54,868	\$ 333,674	\$ -	\$ -	\$ 277,906	\$ 102,711	\$ 120,281	\$ 493,595	\$ -

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	League (Knight Grant)	Foellinger Grant	Scholarships	Unemployment	Driver Education	Common School	(STAA) School Technology Advancement	Continuing Education	Neighborhood Connection
Cash and investments - beginning	\$ 12,337	\$ 99,605	\$ 147,286	\$ 180,000	\$ 72,339	\$ (1,204)	\$ (183,762)	\$ 201,687	\$ (20,093)
Receipts:									
Local sources	8,999	-	37,250	-	112,137	-	-	54,318	93,739
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	541,755	478,216	916,314	-
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	8,999	-	37,250	-	112,137	541,755	478,216	970,632	93,739
Disbursements:									
Current:									
Instruction	6,501	77,100	-	-	158,215	-	-	953,165	105,200
Support services	-	22,505	-	-	5,645	1,906,612	515,932	587	-
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	44,164	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	6,501	99,605	44,164	-	163,860	1,906,612	515,932	953,752	105,200
Excess (deficiency) of receipts over disbursements	2,498	(99,605)	(6,914)	-	(51,723)	(1,364,857)	(37,716)	16,880	(11,461)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	18,790	-
Transfers in	-	-	-	345,940	-	-	-	-	-
Transfers out	-	-	-	(345,940)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	18,790	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,498	(99,605)	(6,914)	-	(51,723)	(1,364,857)	(37,716)	35,670	(11,461)
Cash and investments - ending	\$ 14,835	\$ -	\$ 140,372	\$ 180,000	\$ 20,616	\$ (1,366,061)	\$ (221,478)	\$ 237,357	\$ (31,554)

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Medicaid Reimbursement State	Non-English Speaking Program	School Technology	Career Center Building	Food Service Equipment	Warehouse	Gifted and Talented	Professional Development	Arts in Education
Cash and investments - beginning	\$ 41,408	\$ 74,938	\$ 1,104,631	\$ 32,861	\$ 1,451,337	\$ 715,418	\$ 32,796	\$ 512,833	\$ -
Receipts:									
Local sources	-	-	569,342	-	9,547	717,884	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	138,770	316,390	-	-	-	-	161,374	65,000	1,934
Federal sources	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	138,770	316,390	569,342	-	9,547	717,884	161,374	65,000	1,934
Disbursements:									
Current:									
Instruction	-	336,607	-	-	-	-	138,323	-	1,934
Support services	-	-	678,350	-	-	645,660	1,068	241,381	-
Noninstructional services	-	-	-	-	483,546	-	-	-	-
Facilities acquisition and construction	-	-	-	117,921	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	-	336,607	678,350	117,921	483,546	645,660	139,391	241,381	1,934
Excess (deficiency) of receipts over disbursements	138,770	(20,217)	(109,008)	(117,921)	(473,999)	72,224	21,983	(176,381)	-
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	2,474	-	-	-
Transfers in	-	-	-	149,135	443,000	-	-	-	-
Transfers out	(151,274)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(151,274)	-	-	149,135	443,000	2,474	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(12,504)	(20,217)	(109,008)	31,214	(30,999)	74,698	21,983	(176,381)	-
Cash and investments - ending	\$ 28,904	\$ 54,721	\$ 995,623	\$ 64,075	\$ 1,420,338	\$ 790,116	\$ 54,779	\$ 336,452	\$ -

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Title I Delinquent	School Improvement	Title I School Improvement Section 1003-g	Title I	State Grants for Innovative Programs	Education for Homeless Children and Youth	Special Education Basic	Special Education Preschool	Adult Basic Education
Cash and investments - beginning	\$ 11,638	\$ 368,033	\$ 38,746	\$ (1,519,384)	\$ 17,550	\$ 65,661	\$ (590,709)	\$ (75,678)	\$ 6,631
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	608,340	525,965	474,259	12,776,922	26,171	-	7,963,502	275,775	260,761
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	608,340	525,965	474,259	12,776,922	26,171	-	7,963,502	275,775	260,761
Disbursements:									
Current:									
Instruction	449,175	6,030	-	8,647,339	-	-	6,338,528	129,842	147,794
Support services	208,394	658,490	567,819	2,648,055	41,261	64,397	1,845,597	51,400	97,459
Noninstructional services	-	-	-	123,133	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	2,500
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	15,505	11,219	2,944	339,347	2,460	-	-	7,949	-
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	673,074	675,739	570,763	11,757,874	43,721	64,397	8,184,125	189,191	247,753
Excess (deficiency) of receipts over disbursements	(64,734)	(149,774)	(96,504)	1,019,048	(17,550)	(64,397)	(220,623)	86,584	13,008
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	102,098	-	-	1,355,116	-	-	-	-	-
Transfers out	(102,098)	-	-	(1,355,116)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(64,734)	(149,774)	(96,504)	1,019,048	(17,550)	(64,397)	(220,623)	86,584	13,008
Cash and investments - ending	\$ (53,096)	\$ 218,259	\$ (57,758)	\$ (500,336)	\$ -	\$ 1,264	\$ (811,332)	\$ 10,906	\$ 19,639

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Safe and Drug-Free Schools	Vocational Education	Project Lead the Way	Medicaid Reimbursement Federal	Smaller Learning Communities	Improving Teacher Quality State Grants	Education Technology State Grants	English Language Acquisition Grants and Refugee Child	Reading First
Cash and investments - beginning	\$ 99,317	\$ 39,903	\$ (3,004)	\$ 480,735	\$ (152,155)	\$ 164,287	\$ -	\$ 21,080	\$ (113,191)
Receipts:									
Local sources	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-
Federal sources	175,179	866,830	12,951	427,934	917,718	1,691,293	176,000	269,410	635,152
Interfund loans	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total receipts	175,179	866,830	12,951	427,934	917,718	1,691,293	176,000	269,410	635,152
Disbursements:									
Current:									
Instruction	247,790	902,733	7,453	100,077	21,071	1,178,311	-	270,770	505,482
Support services	2,222	124,259	11,470	-	830,578	723,864	249,281	-	105,493
Noninstructional services	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	7,831	-	-	-	31,468	44,366	-	-	41,316
Interfund loans	-	-	-	-	-	-	-	-	-
Total disbursements	257,843	1,026,992	18,923	100,077	883,117	1,946,541	249,281	270,770	652,291
Excess (deficiency) of receipts over disbursements	(82,664)	(160,162)	(5,972)	327,857	34,601	(255,248)	(73,281)	(1,360)	(17,139)
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	3,295	-	-	-	-	-
Transfers out	-	-	-	(13,539)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(10,244)	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(82,664)	(160,162)	(5,972)	317,613	34,601	(255,248)	(73,281)	(1,360)	(17,139)
Cash and investments - ending	\$ 16,653	\$ (120,259)	\$ (8,976)	\$ 798,348	\$ (117,554)	\$ (90,961)	\$ (73,281)	\$ 19,720	\$ (130,330)

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2010
 (Continued)

	Economic Stimulus Grant Fiscal Stability	Economic Stimulus Title I Grants to LEAs	Economic Stimulus Grant Special Education	Economic Stimulus Special Education Preschool	Economic Stimulus McKinnney - Vento Education for Homeless	Economic Stimulus School Lunch Equipment	Economic Stimulus Title I Part D Delinquent	Payroll	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 770,055	\$ -	\$ -	\$ -	\$ -	\$ 6,276,581	\$ 62,190,474
Receipts:									
Local sources	-	-	9,608	-	-	-	-	-	154,760,206
Intermediate sources	-	-	-	-	-	-	-	-	3,959
State sources	-	-	-	-	-	-	-	-	195,325,877
Federal sources	6,180,736	3,372,409	2,710,165	89,378	30,000	38,500	135,482	-	51,556,619
Interfund loans	-	-	-	-	-	-	-	-	14,543,780
Other	-	-	-	-	-	-	-	214,721,881	214,734,736
Total receipts	6,180,736	3,372,409	2,719,773	89,378	30,000	38,500	135,482	214,721,881	630,925,177
Disbursements:									
Current:									
Instruction	6,180,736	1,696,643	3,557,160	95,750	-	-	117,145	-	183,250,500
Support services	-	1,353,404	96,701	-	30,000	-	3,774	-	103,341,102
Noninstructional services	-	49,674	138,446	-	-	38,500	-	-	15,584,948
Facilities acquisition and construction	-	-	-	-	-	-	-	-	11,734,876
Debt services	-	-	-	-	-	-	-	-	17,029,411
Nonprogrammed charges	-	79,790	106,269	2,729	-	-	2,414	214,531,354	260,105,888
Interfund loans	-	-	-	-	-	-	-	-	14,543,780
Total disbursements	6,180,736	3,179,511	3,898,576	98,479	30,000	38,500	123,333	214,531,354	605,590,505
Excess (deficiency) of receipts over disbursements	-	192,898	(1,178,803)	(9,101)	-	-	12,149	190,527	25,334,672
Other financing sources (uses):									
Proceeds of long-term debt	-	-	-	-	-	-	-	-	2,000,000
Sale of capital assets	-	-	-	-	-	-	-	-	371,870
Transfers in	-	-	-	-	-	-	-	-	4,846,828
Transfers out	-	-	-	-	-	-	-	-	(4,846,828)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	2,371,870
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	192,898	(1,178,803)	(9,101)	-	-	12,149	190,527	27,706,542
Cash and investments - ending	\$ -	\$ 192,898	\$ (408,748)	\$ (9,101)	\$ -	\$ -	\$ 12,149	\$ 6,467,108	\$ 89,897,016

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011

	General	Racial Balance	Debt Service	Pension Debt	Capital Projects	Transportation Operating	School Bus Replacement	Retirement/ Severance Bond	North Side Project	Food Service Center Project
Cash and investments - beginning	\$ 1,729,806	\$ 1,994,567	\$ 4,809,947	\$ -	\$ 8,454,371	\$ 8,495,209	\$ -	\$ 2,682,366	\$ 12,555	\$ 359,594
Receipts:										
Local sources	3,628,188	6,160,721	13,587,916	3,860,763	19,653,779	15,733,275	2,026,350	-	-	-
Intermediate sources	286	-	-	-	-	-	-	-	-	-
State sources	194,133,414	-	-	-	-	-	-	-	-	-
Federal sources	5,156	-	-	-	-	-	-	-	-	-
Interfund loans	3,865,000	-	-	34,047	-	-	566,615	-	-	-
Other	4,427	-	-	-	555	-	-	-	-	-
Total receipts	201,636,471	6,160,721	13,587,916	3,894,810	19,654,334	15,733,275	2,592,965	-	-	-
Disbursements:										
Current:										
Instruction	139,808,386	6,638,793	-	-	-	-	-	776,832	-	-
Support services	53,330,127	673,030	-	-	8,852,235	17,648,574	2,571,062	424,638	-	-
Noninstructional services	1,294,897	-	-	-	-	-	-	25,064	-	-
Facilities acquisition and construction	308,451	-	-	-	12,546,717	-	-	10,337	-	75,604
Debt services	-	-	12,698,231	3,886,666	-	-	-	-	-	-
Nonprogrammed charges	368,184	-	-	-	-	-	-	-	-	-
Interfund loans	6,850,055	-	-	8,144	-	-	21,903	-	-	-
Total disbursements	201,960,100	7,311,823	12,698,231	3,894,810	21,398,952	17,648,574	2,592,965	1,236,871	-	75,604
Excess (deficiency) of receipts over disbursements	(323,629)	(1,151,102)	889,685	-	(1,744,618)	(1,915,299)	-	(1,236,871)	-	(75,604)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	109,233	-	-	-	8,682	113,353	-	-	-	-
Transfers in	1,209,901	-	-	-	-	327,750	-	-	-	-
Transfers out	(746,476)	-	-	-	-	(774,455)	-	-	-	(275,268)
Total other financing sources (uses)	572,658	-	-	-	8,682	(333,352)	-	-	-	(275,268)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	249,029	(1,151,102)	889,685	-	(1,735,936)	(2,248,651)	-	(1,236,871)	-	(350,872)
Cash and investments - ending	\$ 1,978,835	\$ 843,465	\$ 5,699,632	\$ -	\$ 6,718,435	\$ 6,246,558	\$ -	\$ 1,445,495	\$ 12,555	\$ 8,722

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Wayne New Technology	Wayne New Technology QZAB	Food Service	Textbook Rental	Self- Insurance	Levy Excess	Regional Vocational	Museum of Art	Educational License Plates	Alternative Education
Cash and investments - beginning	\$ 402,447	\$ 1,566,041	\$ 5,214,444	\$ 6,673,397	\$ 36,849,246	\$ 327,750	\$ 847,934	\$ -	\$ 54,868	\$ 333,674
Receipts:										
Local sources	-	-	3,747,468	711,339	46,373,386	-	3,401,617	157,173	-	-
Intermediate sources	-	-	-	-	-	-	-	-	3,619	-
State sources	-	-	89,655	1,210,706	-	-	-	-	-	193,526
Federal sources	-	-	11,342,582	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	6,880,102	-	-	-	-	-
Other	-	-	4,840	-	-	-	-	-	-	-
Total receipts	-	-	15,184,545	1,922,045	53,253,488	-	3,401,617	157,173	3,619	193,526
Disbursements:										
Current:										
Instruction	-	-	-	-	-	-	3,741,155	-	-	140,142
Support services	9,546	15,483	218,141	3,114,978	57,145	-	587,583	-	-	-
Noninstructional services	-	-	13,139,265	-	-	-	-	126,661	-	-
Facilities acquisition and construction	146,883	746,148	-	-	-	-	-	-	-	-
Debt services	268	18,775	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	44,126,545	-	126,379	-	-	-
Interfund loans	-	-	-	-	4,465,662	-	-	-	-	-
Total disbursements	156,697	780,406	13,357,406	3,114,978	48,649,352	-	4,455,117	126,661	-	140,142
Excess (deficiency) of receipts over disbursements	(156,697)	(780,406)	1,827,139	(1,192,933)	4,604,136	-	(1,053,500)	30,512	3,619	53,384
Other financing sources (uses):										
Proceeds of long-term debt	1,750	1,990,216	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	200	44,577	-	-	167,641	-	-	-
Transfers in	-	-	-	682,613	-	-	-	-	-	63,863
Transfers out	-	-	(716,000)	-	-	(327,750)	(72,096)	-	-	-
Total other financing sources (uses)	1,750	1,990,216	(715,800)	727,190	-	(327,750)	95,545	-	-	63,863
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(154,947)	1,209,810	1,111,339	(465,743)	4,604,136	(327,750)	(957,955)	30,512	3,619	117,247
Cash and investments - ending	\$ 247,500	\$ 2,775,851	\$ 6,325,783	\$ 6,207,654	\$ 41,453,382	\$ -	\$ (110,021)	\$ 30,512	\$ 58,487	\$ 450,921

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Early Intervention	Donations	Donation Grants	Access Channel	Wallace Readers	League (Knight Grant)	Foellinger Parent Enrichment	Scholarships	Unemployment	Driver Education
Cash and investments - beginning	\$ -	\$ 277,906	\$ 102,711	\$ 120,281	\$ 493,595	\$ 14,835	\$ -	\$ 140,372	\$ 180,000	\$ 20,616
Receipts:										
Local sources	-	335,174	185,152	232,902	2,693	-	2,255	44,735	-	75,027
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	104,290	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	-	7,808	-	-	-	-	-	-	-	-
Total receipts	104,290	342,982	185,152	232,902	2,693	-	2,255	44,735	-	75,027
Disbursements:										
Current:										
Instruction	104,290	133,404	92,055	-	-	3,744	2,223	-	-	101,998
Support services	-	85,120	149,261	155,196	438,689	-	32	-	-	2,673
Noninstructional services	-	1,669	583	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	19,803	-	-	41,246	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	104,290	220,193	241,899	155,196	458,492	3,744	2,255	41,246	-	104,671
Excess (deficiency) of receipts over disbursements	-	122,789	(56,747)	77,706	(455,799)	(3,744)	-	3,489	-	(29,644)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	1,762,898	-
Transfers out	-	-	-	-	-	-	-	-	(1,762,898)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	122,789	(56,747)	77,706	(455,799)	(3,744)	-	3,489	-	(29,644)
Cash and investments - ending	\$ -	\$ 400,695	\$ 45,964	\$ 197,987	\$ 37,796	\$ 11,091	\$ -	\$ 143,861	\$ 180,000	\$ (9,028)

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Common School	(STAA) School Technology Advancement	Continuing Education	Neighborhood Connection	Medicaid Reimbursement State	Non-English Speaking Program	School Technology	Career Center Building	Food Service Equipment	Warehouse
Cash and investments - beginning	\$ (1,366,061)	\$ (221,478)	\$ 237,357	\$ (31,554)	\$ 28,904	\$ 54,721	\$ 995,623	\$ 64,075	\$ 1,420,338	\$ 790,116
Receipts:										
Local sources	-	-	98,845	66,411	-	-	227,788	-	13,063	310,922
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	3,059,584	1,163,865	813,908	-	136,558	263,799	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	3,059,584	1,163,865	912,753	66,411	136,558	263,799	227,788	-	13,063	310,922
Disbursements:										
Current:										
Instruction	-	-	747,266	80,845	-	309,340	-	-	-	-
Support services	1,710,183	942,387	1,926	-	-	-	810,479	-	-	529,217
Noninstructional services	-	-	-	-	-	-	-	-	520,881	-
Facilities acquisition and construction	-	-	-	-	-	-	-	93,304	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,710,183	942,387	749,192	80,845	-	309,340	810,479	93,304	520,881	529,217
Excess (deficiency) of receipts over disbursements	1,349,401	221,478	163,561	(14,434)	136,558	(45,541)	(582,691)	(93,304)	(507,818)	(218,295)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	16,149	-	-	-	-	-	-	4,201
Transfers in	-	-	-	-	-	-	-	72,096	716,000	-
Transfers out	-	-	-	-	(147,315)	-	-	-	-	-
Total other financing sources (uses)	-	-	16,149	-	(147,315)	-	-	72,096	716,000	4,201
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,349,401	221,478	179,710	(14,434)	(10,757)	(45,541)	(582,691)	(21,208)	208,182	(214,094)
Cash and investments - ending	\$ (16,660)	\$ -	\$ 417,067	\$ (45,988)	\$ 18,147	\$ 9,180	\$ 412,932	\$ 42,867	\$ 1,628,520	\$ 576,022

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Gifted and Talented	Professional Development	Arts in Education	Title I Delinquent	School Improvement	Title I School Improvement Section 1003-g	Title I	Education for Homeless Children and Youth	Special Education Basic	Special Education Preschool
Cash and investments - beginning	\$ 54,779	\$ 336,452	\$ -	\$ (53,096)	\$ 218,259	\$ (57,758)	\$ (500,336)	\$ 1,264	\$ (811,332)	\$ 10,906
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	158,956	-	1,875	-	-	-	-	-	-	-
Federal sources	-	-	-	445,170	-	333,605	9,559,017	29,340	8,117,954	280,898
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	158,956	-	1,875	445,170	-	333,605	9,559,017	29,340	8,117,954	280,898
Disbursements:										
Current:										
Instruction	176,447	-	2,500	380,114	-	32,594	7,435,128	-	6,283,757	261,367
Support services	-	210,467	-	57,484	215,033	279,551	2,427,460	30,604	2,011,531	73,746
Noninstructional services	-	-	-	-	-	-	145,320	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	17,407	3,226	-	287,421	-	215,616	8,002
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	176,447	210,467	2,500	455,005	218,259	312,145	10,295,329	30,604	8,510,904	343,115
Excess (deficiency) of receipts over disbursements	(17,491)	(210,467)	(625)	(9,835)	(218,259)	21,460	(736,312)	(1,264)	(392,950)	(62,217)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	158,885	-	-	1,468,691	-	-	-
Transfers out	-	-	-	(158,885)	-	-	(1,468,691)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(17,491)	(210,467)	(625)	(9,835)	(218,259)	21,460	(736,312)	(1,264)	(392,950)	(62,217)
Cash and investments - ending	\$ 37,288	\$ 125,985	\$ (625)	\$ (62,931)	\$ -	\$ (36,298)	\$ (1,236,648)	\$ -	\$ (1,204,282)	\$ (51,311)

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	Adult Basic Education	Safe and Drug-Free Schools	Indiana Tech Prep Grant	Vocational Education	Project Lead the Way	Medicaid Reimbursement Federal	Fort Wayne Freedom Studies	Smaller Learning Communities	Improving Teacher Quality State Grants	Education Technology State Grants
Cash and investments - beginning	\$ 19,639	\$ 16,653	\$ -	\$ (120,259)	\$ (8,976)	\$ 798,348	\$ -	\$ (117,554)	\$ (90,961)	\$ (73,281)
Receipts:										
Local sources	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-
Federal sources	429,673	139,391	29,575	872,606	8,976	388,815	1,384	1,064,303	1,697,654	118,000
Interfund loans	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total receipts	429,673	139,391	29,575	872,606	8,976	388,815	1,384	1,064,303	1,697,654	118,000
Disbursements:										
Current:										
Instruction	352,820	152,708	32,391	728,231	-	122,615	8,711	33,915	844,339	-
Support services	201,051	-	-	120,429	-	-	-	991,758	839,616	36,572
Noninstructional services	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	6,498	-	-	-	-	-	27,232	52,985	8,147
Interfund loans	-	-	-	-	-	-	-	-	-	-
Total disbursements	553,871	159,206	32,391	848,660	-	122,615	8,711	1,052,905	1,736,940	44,719
Excess (deficiency) of receipts over disbursements	(124,198)	(19,815)	(2,816)	23,946	8,976	266,200	(7,327)	11,398	(39,286)	73,281
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(12,863)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(12,863)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(124,198)	(19,815)	(2,816)	23,946	8,976	253,337	(7,327)	11,398	(39,286)	73,281
Cash and investments - ending	\$ (104,559)	\$ (3,162)	\$ (2,816)	\$ (96,313)	\$ -	\$ 1,051,685	\$ (7,327)	\$ (106,156)	\$ (130,247)	\$ -

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended June 30, 2011
 (Continued)

	English Language Acquisition Grants and Refugee Child	Reading First	Economic Stimulus Title I Grants to LEAs	Economic Stimulus Title I School Improvement	Economic Stimulus Grant Special Education	Economic Stimulus Special Education Preschool	Economic Stimulus McKinney - Vento Education for Homeless	Economic Stimulus Title I Part D Delinquent	Payroll	Totals
Cash and investments - beginning	\$ 19,720	\$ (130,330)	\$ 192,898	\$ -	\$ (408,748)	\$ (9,101)	\$ -	\$ 12,149	\$ 6,467,108	\$ 89,897,016
Receipts:										
Local sources	-	-	131	-	-	-	-	-	-	120,637,073
Intermediate sources	-	-	-	-	-	-	-	-	-	3,905
State sources	-	-	-	-	-	-	-	-	-	201,330,136
Federal sources	345,380	608,898	4,348,350	32,441	3,784,163	119,678	10,000	224,582	-	44,337,591
Interfund loans	-	-	-	-	-	-	-	-	-	11,345,764
Other	-	-	-	-	-	-	-	-	200,764,883	200,782,513
Total receipts	345,380	608,898	4,348,481	32,441	3,784,163	119,678	10,000	224,582	200,764,883	578,436,982
Disbursements:										
Current:										
Instruction	403,232	193,970	3,236,114	-	3,383,358	125,246	-	222,713	-	177,092,743
Support services	-	225,846	1,657,004	53,367	53,899	-	10,000	34,289	-	101,857,412
Noninstructional services	-	-	122,265	-	420,262	-	-	-	-	15,796,867
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	13,927,444
Debt services	-	-	-	-	-	-	-	-	-	16,603,940
Nonprogrammed charges	-	58,752	-	-	-	-	-	1,300	-	45,368,743
Interfund loans	-	-	-	-	-	-	-	-	200,756,205	212,101,969
Total disbursements	403,232	478,568	5,015,383	53,367	3,857,519	125,246	10,000	258,302	200,756,205	582,749,118
Excess (deficiency) of receipts over disbursements	(57,852)	130,330	(666,902)	(20,926)	(73,356)	(5,568)	-	(33,720)	8,678	(4,312,136)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	1,991,966
Sale of capital assets	-	-	-	-	-	-	-	-	-	464,036
Transfers in	-	-	192,898	-	-	-	-	-	-	6,655,595
Transfers out	-	-	(192,898)	-	-	-	-	-	-	(6,655,595)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	2,456,002
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(57,852)	130,330	(666,902)	(20,926)	(73,356)	(5,568)	-	(33,720)	8,678	(1,856,134)
Cash and investments - ending	\$ (38,132)	\$ -	\$ (474,004)	\$ (20,926)	\$ (482,104)	\$ (14,669)	\$ -	\$ (21,571)	\$ 6,475,786	\$ 88,040,882

FORT WAYNE COMMUNITY SCHOOLS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 June 30, 2011

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:	
Land	\$ 9,091,867
Buildings	269,826,449
Improvements other than buildings	22,646,888
Machinery and equipment	33,184,183
Construction in progress	<u>930,569</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 335,679,956</u>

FORT WAYNE COMMUNITY SCHOOLS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 June 30, 2011

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Fort Wayne South Side School Building Corp.	\$ 3,665,000	\$ 3,759,150
FWCS Food Service Center Building Corp.	7,225,000	1,278,819
North Side High School Building Corp.	39,385,000	5,615,000
Guaranteed Energy Savings Project IV	122,527	125,700
2008 HP Computer Lease	28,625	30,300
Notes and loans payable	4,745,157	2,757,853
Bonds payable:		
General obligation bonds:		
FWCS Pension Bonds of 2004	29,660,000	3,888,201
FWCS General Obligation QZAB Bonds of 2009	1,950,000	169,827
FWCS General Obligation QZAB Bonds of 2010	<u>2,000,000</u>	<u>106,500</u>
Total governmental activities debt	<u>\$ 88,781,309</u>	<u>\$ 17,731,350</u>

FORT WAYNE COMMUNITY SCHOOLS
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES (Applies to the School Corporation)

As stated in prior Report B35903, the School Corporation had overdrawn fund balances at June 30, 2010, and June 30, 2011. The funds are listed below. Overdrawn fund balances for funds with reimbursement grant expenses are not included.

Funds	Fiscal Year 2009-2010	Fiscal Year 2010-2011
Regional Vocational	\$ -	\$ (110,021)
Driver Education	-	(9,028)
Neighborhood Connection	(31,554)	(45,988)

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

OVERDRAWN FUND BALANCES (Applies to Arlington Elementary, Fairfield Elementary, Pleasant Center Elementary, Blackhawk Middle, Jefferson Middle, Kekionga Middle, Lakeside Middle, Lane Middle, Northrop High, South Side High, and Wayne High Schools)

The following schools have overdrawn fund balances during the audit period:

School	Fund	Date	Amount Overdrawn
Elementary Schools:			
Arlington	In/Out	06-30-10	\$ (17.00)
Fairfield	Music	06-30-10	(47.40)
Pleasant Center	Rebate Donations	06-30-10	(69.92)
Middle Schools:			
Blackhawk	Funds for Others	01-31-11	(3.00)
Jefferson	Petty Cash	01-31-11	(200.00)
	Cheerleaders	01-31-11	(499.00)
	Music-Huls	01-31-11	(27.02)
Kekionga	Music	01-31-11	(40.21)
Lakeside	Interest	01-31-10	(26.59)
	Vending	01-31-10	(178.64)
	Interest	06-30-10	(4.23)
	Interest	06-30-11	(4.23)
	Vending	06-30-11	(36.64)
Lane	Interest	06-30-11	(4.23)
	Industrial Arts	01-31-10	(47.06)

FORT WAYNE COMMUNITY SCHOOLS
AUDIT RESULTS AND COMMENTS
(Continued)

School	Fund	Date	Amount Overdrawn
High Schools:			
Northrop	Jewelry	01-31-11	(2.78)
South Side	Football	01-31-10	(4.37)
	Club Unified	01-31-10	(25.00)
Wayne	Sentry 2010	01-31-10	(3,357.58)
	Sentry 2010	06-30-10	(550.60)
	Sentry 2011	01-31-11	(3,169.87)
	Sentry 2010	01-31-11	(550.60)
	Interest Investment	06-30-11	(64.04)
	Sentry 2010	06-30-11	(550.60)

Overdrafts may not be created or exist in any fund. The extra-curricular treasurer should advise the activity sponsor and student treasurer periodically, preferably monthly, of the current balance in the fund of their activity. Therefore, comparisons can be made and differences reconciled before transactions become past due or particulars are difficult to recall. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

ECA DEPOSITS (Applies to Franke Park Elementary and Maplewood Elementary Schools)

During review of Franke Park Elementary, we found receipts were not always deposited within a reasonable amount of time. Receipts, in one instance, were held for 53 days before being deposited. A similar comment appears in prior Report B32093 for audit period July 1, 2005 to June 30, 2007.

During review of Maplewood Elementary, we found receipts were not always deposited within a reasonable amount of time. We noted a significant number of days between deposit dates during the last year of the audit. There were 30 to 33 days between deposit dates and receipt dates in some instances.

Based upon the Fort Wayne Community Schools Memorandum dated June 2003, schools should be depositing at a minimum of two times per week. Making timely deposits was discussed with the EC Treasurer in the prior audit period.

Indiana Code 20-41-1-9 states in part: ". . . receipts shall be deposited without unreasonable delay."

GRANT MONIES (Applies to Study Elementary School)

We noted that a Grant of \$8,000 from Allen County Education Partnership was receipted into Extra-Curricular records for Study Elementary School. The money was spent on computer equipment for the students.

IC 20-26-4-1 concerning duties of the School Corporation Treasurer, states in part: "The treasurer is the official custodian of all funds of the school corporation and is responsible for the proper safe guarding and accounting for the funds . . ." Therefore, all grant monies and properly authorized fees at an individual building should be transferred to the School Corporation Central Office on a timely and regular basis for receipting into the appropriate school corporation fund. The School Corporation Attorney should provide written guidance concerning whether fees are appropriate in regards to Constitutional provisions. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 6)

FORT WAYNE COMMUNITY SCHOOLS
 AUDIT RESULTS AND COMMENTS
 (Continued)

USE OF EXTRA-CURRICULAR DONATIONS FUND (Applies to North Side High School)

We noted that t-shirts, worn by faculty to promote a "Save Our School" campaign, were purchased out of the Donation Fund for \$2,436. These expenditures are neither curricular nor extra-curricular in nature. The Faculty Fund should pay back the Donation Fund for the cost of the t-shirts.

Sources and used of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

NONUSE OF TICKET SALES FORM SA-4 (Applies to Northrop High and Wayne High Schools)

When reviewing ticket sales for Northrop High School, we noted instances where the Form SA-4s were not used for music events. Tickets were not sold and cash payments were taken at the time of admittance. As a result, full accountability for all money received from admissions could not be determined.

When reviewing ticket sales for Wayne High School, we noted Ticket Sale Report Form SA-4s were not used for the sale of athletic season passes which were noted and discussed in the prior audit.

Serially prenumbered tickets by the printing supplier should be used for all athletic and other extra-curricular activities and events for which admission is charged. Part of the prenumbered ticket should be given to the person paying for the ticket upon admission to the event. The other part of the ticket (which should also be prenumbered, referred to as the stub) should be retained. All tickets (unused tickets and stubs) should be retained for audit. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 2)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

ECA TICKET SALE DEPOSITS (Applies to Snider High School)

Receipts for Athletic Event Ticket Sales were not always turned over to the ECA Treasurer within a reasonable time. Receipts, in some instances, were held for periods up to 8 days before turning it over to the ECA Treasurer.

Indiana Code 20-41-1-9 states in part: ". . . receipts shall be deposited without unreasonable delay."

LOANS BETWEEN FUNDS (Applies to Kekionga Middle and Jefferson Middle Schools)

The following schools had loans between funds:

<u>School's Overdrawn Fund</u>	<u>Amount Owed</u>	<u>Fund to be Repaid</u>
Kekionga Track Fund	\$ 1,715.00	Vending Fund
Jefferson Cheerleading Fund	313.61	Football Fund
	829.00	Athletics Fund

FORT WAYNE COMMUNITY SCHOOLS
AUDIT RESULTS AND COMMENTS
(Continued)

Loans by any particular club or activity should only be in accordance with the approval of the members. A definite repayment time should be established. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 7)

Overdrafts may not be created or exist in any fund. The extra-curricular treasurer should advise the activity sponsor and student treasurer periodically, preferably monthly, of the current balance in the fund of their activity. Therefore, comparisons can be made and differences reconciled before transactions become past due or particulars are difficult to recall. (Accounting and Uniform Compliance Guidelines Manual for Extra-Curricular Accounts, Chapter 1)

(This page intentionally left blank.)

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

TO: THE OFFICIALS OF THE FORT WAYNE COMMUNITY SCHOOLS, ALLEN COUNTY, INDIANA

Compliance

We have audited the compliance of the Fort Wayne Community Schools (School Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the years ended June 30, 2010 and 2011. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School Corporation's compliance with those requirements.

In our opinion, the School Corporation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended June 30, 2010 and 2011.

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 in order 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
APPLICABLE TO EACH MAJOR PROGRAM AND 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 section of the report entitled 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

February 2, 2012

(This page intentionally left blank.)

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.

FORT WAYNE COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2010 and 2011

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 06-30-10	Total Federal Awards Expended 06-30-11
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 2,435,392	\$ 2,438,781
National School Lunch Program	10.555		9,233,814	9,600,678
Summer Food Service Program for Children	10.559		<u>218,855</u>	<u>210,836</u>
Total for cluster			<u>11,888,061</u>	<u>12,250,295</u>
Child and Adult Care Food Program	10.558		<u>22,751</u>	<u>37,810</u>
ARRA - Child Nutrition Discretionary Grants Limited Availability, Recovery Act	10.579		<u>38,500</u>	<u>-</u>
Fresh Fruit and Vegetable Program	10.582		<u>188,215</u>	<u>304,304</u>
Total for federal grantor agency			<u>12,137,527</u>	<u>12,592,409</u>
U.S. DEPARTMENT OF EDUCATION				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
Part A, Compensatory Education		09-0235	820,310	-
Part A, Compensatory Education		10-0235	10,937,561	664,244
Part A, Compensatory Education		11-0235	-	9,631,085
Part D, Delinquent		09-0235	42,785	-
Part D, Delinquent		10-0235	615,194	21,575
Part D, Delinquent		11-0235	-	433,430
School Improvement		09-0235	70,086	-
School Improvement - Summer Leadership Institute		09-0235	5,660	-
School Improvement		10-0235	495,018	50,242
School Improvement		11-0235	<u>-</u>	<u>261,904</u>
Total for program			<u>12,986,614</u>	<u>11,062,480</u>
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389			
Part A, Compensatory Education		10-0235	3,179,510	-
Part A, Compensatory Education		11-0235	-	5,015,252
Part D, Delinquent		10-0235	123,333	46,927
Part D, Delinquent		11-0235	-	211,377
School Improvement		11-0235	<u>-</u>	<u>53,368</u>
Total for program			<u>3,302,843</u>	<u>5,326,924</u>
Total for cluster			<u>16,289,457</u>	<u>16,389,404</u>
Special Education Cluster				
Special Education - Grants to States				
Part B, IDEA	84.027	142-09-018-PN01	16,291	-
Part B, IDEA		142-10-018-PN01	8,167,835	49,452
Part B, IDEA		142-11-018-PN01	<u>-</u>	<u>7,883,122</u>
Total for program			<u>8,184,126</u>	<u>7,932,574</u>
Special Education - Preschool Grants				
Preschool	84.173	457-10-018-PN01	189,192	68,886
Preschool		457-11-018-PN01	<u>-</u>	<u>277,949</u>
Total for program			<u>189,192</u>	<u>346,835</u>

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

FORT WAYNE COMMUNITY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Years Ended June 30, 2010 and 2011
(Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Special Education Cluster (continued)				
ARRA - Special Education - Grants to States, Recovery Act Part B, IDEA	84.391	33310-018-SN01	3,898,578	4,062,870
ARRA - Special Education - Preschool Grants, Recovery Act Preschool	84.392	44410-018-SN01	98,479	124,330
Total for cluster			12,370,375	12,466,609
Education of Homeless Children and Youth Cluster				
Education of Homeless Children and Youth	84.196			
		FY09	35,661	-
		FY10	28,736	754
		FY11	-	29,341
Total for program			64,397	30,095
ARRA - Education of Homeless Children and Youth, Recovery Act	84.387	FY10	30,000	-
Total for cluster			94,397	30,095
Education Technology State Grants Cluster				
Educational Technology State Grants	84.318	2009-10	249,281	44,719
School Improvement Grants Cluster				
School Improvement Grants	84.377	FY09	675,738	218,259
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394			
		FY10	2,194,729	-
		FY11	3,986,005	-
Total for cluster			6,180,734	-
Direct Grant				
Fund for the Improvement of Education	84.215			
Smaller Learning Community		S215L060248 - FY08	124,193	-
Smaller Learning Community		S215L060248 - FY09	758,925	223,833
Smaller Learning Community		S215L060248 - FY10	-	829,072
Fort Wayne Freedom Studies		U215X100316	-	8,711
Total for program			883,118	1,061,616
Pass-Through Indiana Department of Education				
Adult Education - Basic Grants to States	84.002			
Adult Basic Education		FY 09-8011	6,631	-
Adult Basic Education		FY 10-8011	241,120	19,639
Adult Basic Education		FY 11-8011	-	534,231
Total for program			247,751	553,870

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

FORT WAYNE COMMUNITY SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For The Years Ended June 30, 2010 and 2011
 (Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Career and Technical Education - Basic Grants to States	84.048			
Perkins		09-4700-0235	254,964	-
Perkins		10-4700-0235	772,027	97,000
Perkins		11-4700-0235	-	751,662
Tech Prep		A58-1-11CI-041	-	32,391
Total for program			<u>1,026,991</u>	<u>881,053</u>
Safe and Drug-Free Schools and Communities - State Grants	84.186			
		07-0235	99,317	-
		08-0235	158,526	16,653
		09-0235	-	142,553
Total for program			<u>257,843</u>	<u>159,206</u>
Pass-Through Indiana Department of Workforce Development				
Tech-Prep Education	84.243			
Project Lead the Way		C1-9-PLTW-8-56	3,923	-
Project Lead the Way		C1-10-PLTW-9-56	15,000	-
Total for program			<u>18,923</u>	<u>-</u>
Pass-Through Indiana Department of Education				
State Grants for Innovative Programs	84.298			
		2008-09	43,721	-
Reading First State Grants	84.357			
		08-0235	146,809	-
		09-0235	505,482	75,670
		10-0235	-	402,898
Total for program			<u>652,291</u>	<u>478,568</u>
English Language Acquisition Grants	84.365			
Title III		2008-09	11,427	-
Title III		2009-10	234,690	19,720
Title III		2010-11	-	353,134
Total for program			<u>246,117</u>	<u>372,854</u>
Improving Teacher Quality State Grants	84.367			
Title II, Part A		07-0235	702,287	-
Title II, Part A		08-0235	1,233,755	692,539
Title II, Part A		09-0235	10,500	932,901
Opportunity Schools		2010	-	52,000
Opportunity Schools		2010-11	-	7,500
Total for program			<u>1,946,542</u>	<u>1,684,940</u>
Total for federal grantor agency			<u>41,183,279</u>	<u>34,341,193</u>

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

FORT WAYNE COMMUNITY SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For The Years Ended June 30, 2010 and 2011
 (Continued)

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-10	Total Federal Awards Expended 06-30-11
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-Through Indiana Department of Health				
Refugee and Entrant Assistance - Discretionary Grants	93.576			
School Impact		2008-09	9,653	-
School Impact		2009-10	15,000	-
School Impact		2010-11	-	30,378
Total for federal grantor agency			<u>24,653</u>	<u>30,378</u>
Total federal awards expended			<u>\$ 53,345,459</u>	<u>\$ 46,963,980</u>

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

FORT WAYNE COMMUNITY SCHOOLS
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 Fort Wayne Community Schools (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, 2010 and 2011. This noncash assistance is also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA Number	FY 10	FY 11
School Breakfast Program	10.553	\$ 169,667	\$ 189,768
National School Lunch Program	10.555	648,309	740,287

FORT WAYNE COMMUNITY SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

FORT WAYNE COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on February 2, 2012, with Dr. Wendy Robinson, Superintendent of Schools; Mark GiaQuinta, President of the School Board; Kathy Friend, Chief Financial Officer; Stefan D. Pittenger, Director of Fiscal Affairs; Sherry Nidlinger, Treasurer; Marcie Degitz, Accounting Supervisor; and Bonnie Fairchild, Internal Auditor. The Official Response has been made a part of this report and may be found on page 52.



WE ARE YOUR SCHOOLS

FORT WAYNE COMMUNITY SCHOOLS

February 10, 2012

OFFICIAL RESPONSE

Bruce A. Hartman, CPA
State Examiner
State Board of Accounts
302 West Washington St., Room E418
Indianapolis, IN 46204-2738

Dear Mr. Hartman:

Fort Wayne Community Schools responds to the comments contained in the 2009-2011 State Board of Accounts Audit Results and Comments as follows:

Corporation Comments

There was one fund (Neighborhood Connection) with an overdrawn fund balance at both June 30, 2010 and June 30, 2011. The negative cash balances of \$31,554 and \$45,988 respectively were due to revenue insufficient to cover the expenses of the program. The program will be evaluated to determine ways to make this program self-sustaining.


There were also overdrawn fund balances at June 30, 2011 in the Regional Vocational Fund and the Driver Education Fund. The negative cash balance of \$110,021 in the Regional Vocational Fund was the result of unpaid tuition for the 2010-2011 school year. The tuition was collected after June 30th resulting in a positive cash balance. Tuition is typically received by the end of the fiscal year so we do not expect this to be an issue in future years. The negative cash balance of \$9,028 in the Driver Education Fund was due to revenue insufficient to cover the expenses of the program. A plan is in place to make this program self-sustaining.

Extracurricular Account Comments

We understand the field examiners discuss the Audit Results and Comments with principals and extracurricular treasurers, when possible, for each school. We consider these findings a serious matter and will also refer them to the Area Administrators responsible for the schools. The district's Internal Auditor will follow-up with the individual schools to determine if corrective actions have been taken where necessary. Quarterly training provided by the Internal Auditor to treasurers will include proper procedures for the most common and serious findings.

We appreciate the efforts and recommendations of the field examiners during this audit. They conducted themselves in a professional manner and provided valuable input.


Kathaleen A. Friend
Chief Financial Officer


Wendy Robinson, Ed.D.
Superintendent

Chief Financial Officer

1200 South Clinton Street • Fort Wayne, IN 46802 • Phone: 260.467.2000 • Fax: 260.467.1981