

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

AUDIT REPORT
OF
FORT WAYNE COMMUNITY SCHOOLS
ALLEN COUNTY, INDIANA
July 1, 2007 to June 30, 2009



FILED

03/11/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Financial Statements 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 Financial Statements Performed in Accordance With Government Auditing Standards	5-6
Management's Discussion and Analysis.....	7-16
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Activities and Net Assets – Cash and Investment Basis.....	17-18
Fund Financial Statements:	
Governmental Funds:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Governmental Funds	19-20
Proprietary Fund:	
Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Proprietary Fund	21-22
Fiduciary Funds:	
Statement of Additions, Deductions, and Changes in Cash and Investment Balances – Fiduciary Funds.....	23-24
Notes to Financial Statements	25-36
Required Supplementary Information:	
Schedule of Funding Progress	37
Budgetary Comparison Schedule.....	38
Supplementary Information:	
Combining Schedule of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis – Other Governmental Funds.....	39-57
Combining Schedule of Additions, Deductions, and Changes in Cash and Investment Balances – Agency Funds.....	58-59
Schedule of Capital Assets.....	60
Schedule of Long-Term Debt	61
Audit Result and Comment:	
Overdrawn Cash Balances.....	62
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.....	64-65
Schedule of Expenditures of Federal Awards	66-68
Notes to Schedule of Expenditures of Federal Awards.....	69
Schedule of Findings and Questioned Costs	70
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Finding.....	71
Exit Conference.....	72
Official Response	73

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sherry Nidlinger	07-01-07 to 06-30-10
Superintendent of Schools	Dr. Wendy Robinson	07-01-07 to 06-30-10
President of the School Board	Stephen Corona Mark GiaQuinta	01-01-07 to 12-31-07 01-01-08 to 12-31-10



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 FINANCIAL STATEMENTS
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 statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fort Wayne Community Schools (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the School Corporation's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

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

In accordance with Government Auditing Standards, we have also issued a report dated February 11, 2010, on our consideration of the School Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the

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

U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

STATE BOARD OF ACCOUNTS

February 11, 2010



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 FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fort Wayne Community Schools (School Corporation), as of and for the years ended June 30, 2008 and 2009, which collectively comprise the School Corporation's basic financial statements and have issued our report thereon dated February 11, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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

Compliance and Other Matters

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

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

STATE BOARD OF ACCOUNTS

February 11, 2010

**Fort Wayne Community Schools
Management's Discussion and Analysis
June 30, 2009**

This discussion and analysis highlights the Fort Wayne Community Schools (FWCS) financial activities for the years ended June 30, 2008 and June 30, 2009. We hope you will find this discussion helpful in assessing FWCS financial condition. Please read it in conjunction with FWCS financial statements and accompanying notes, which follow this discussion and analysis.

Financial Highlights

Government-Wide

Government-wide funds include Governmental Funds and Proprietary Funds.

- The Governmental Activities net assets of FWCS at June 30, 2009 are \$52 million. Of this amount, \$20 million is unrestricted and may be used to meet FWCS ongoing obligations.
- As of June 30, 2008, net assets were \$42.61 million with \$24.4 unrestricted.
- The decrease in unrestricted net assets from 2008 to 2009 is \$4.4 million.

Governmental Funds

Governmental Funds include General, Racial Balance, Transportation Operating, School Bus Replacement, Capital Projects, Debt Service, Food Service, and Textbook Rental. Also included are fifty-seven smaller funds including Regional Vocational, various grants and other miscellaneous funds.

- At June 30, 2008 and June 30, 2009, the school corporation's Governmental Funds reported ending cash and investments of \$25.6 million and \$20.5 million respectively.
- The combined governmental funds balance decreased by \$5.1 million from the prior year's ending balance.
 - The General Fund is included in the Governmental Funds. The school corporation's goal is to maintain a General Fund cash balance at December 31 that is at least 5% of next year's disbursements. At December 31, 2008 General Fund cash was about 8.6% of 2009 budgeted disbursements. The cash balance goal in other governmental funds varies depending on purpose and timing for each fund.

Proprietary

Proprietary Funds include two Internal Service Funds - the Self-Funded Worker's Compensation Fund and the Self-Funded Health Insurance Fund.

- As of June 30, 2008 and June 30, 2009 the school corporation's Proprietary Funds reported ending cash and investments of \$17 million and \$31.5 million respectively.
 - The Health Insurance Fund provided loans on June 30, 2008 in the amount of \$21.2 million and on June 30, 2009 in the amount of \$7.7 million to Governmental Funds due to delayed property tax receipts. If the loans had not been provided, the Proprietary Fund balance would have been \$38.2 million at June 30, 2008 and \$39.2 million at June 30, 2009.
 - The Self-Insured Health Insurance Fund accounts for the majority of the Proprietary Funds. The fund continues to be financially healthy.
 - For the plan year ended September 30, 2008 there was no rate increase but enrollment growth resulted in a 4.8% revenue increase while expenditures grew 7.9%.
 - For the plan year ended September 30, 2009 a 3% rate increase and greater enrollment growth resulted in 4.8% revenue increase while expenditures grew 15.2%.

Fiduciary

Fiduciary Funds include a Pension Trust Fund and an Agency Fund.

- As of June 30, 2008 and June 30, 2009, the school corporation's Fiduciary Fund reported ending cash and investments of \$19.3 million and \$10.2 million respectively.
- The Pension Trust Fund balance as of June 30, 2008 and June 30, 2009 was \$5.2 million and \$4 million respectively. This fund was created at the same time the General Obligation Pension Bonds were issued. This fund provides the school corporation's annual match to employee contributions to their 403(b) retirement plans. This cash balance will continue to decline each year. Once the fund is depleted, any 403(b) matches will need to come from other funds.
- The Agency Fund balance as of June 30, 2008 and June 30, 2009 was \$14.1 million and \$6.3 million respectively. The Agency Fund is the Payroll Fund that accounts for payroll withholdings until such time they are disbursed to the proper entity.

Long-Term Debt

FWCS net long-term debt decreased by \$13.5 million during the two year period. During 2009 the District borrowed nearly \$2 million to renovate Wayne High School in order to accommodate the New Tech High School program. That program is expected to expand over a four year period and additional debt will be required. The District also increased debt for school technology in the amount of \$6.3 million. Total principal payments on all debt were \$23.1 million.

Basic Financial Statements

The Governmental Accounting Standards Board (GASB) requires FWCS to present its financial statements in accordance with GASB Statement No. 34. The basic financial statements of FWCS consist of two sets:

1. Government-wide statements
2. Fund financial statements

Government-wide statements include the Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Cash and Investment Basis Governmental Funds and the Statement of Activities and Net Assets – Cash and Investment Basis. Government-wide statements report on:

- Governmental activities, which encompass most of FWCS basic services that are provided to its citizens.
- Internal Service Fund activities, which include self-funded insurance programs.

Governmental activities include those that support educating students and the basic operations of FWCS. Governmental activities are presented on the *cash* basis of accounting; in other words, receipts and expenditures are recorded in the financial statements when cash is actually received or disbursed.

Internal Service Fund activities include FWCS two self-funded insurance programs – worker's compensation and health insurance. These activities are primarily funded through FWCS contributions from governmental funds and premiums paid by employees. These activities are also presented on the *cash* basis of accounting.

Fund financial statements are broadly categorized as governmental, fiduciary and proprietary. Separate financial statements are presented for each of these fund categories.

- Governmental fund types include the General, Special Revenue, Capital Projects, and Debt Service. These funds report what most people consider the basic government services. The Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances - Cash and Investment Basis – Governmental Funds

reports the following major funds: General; Food Service (Special Revenue); and Textbook Rental (Special Revenue). All other non-major funds are combined into one total. This statement provides a detailed short-term view of FWCS general government operations and the basic services it provides.

- Fiduciary funds include Pension Trust Funds and Agency Funds. The fiduciary fund statement is the Statement of Additions, Deductions, and Changes in Cash and Investment Balances Fiduciary Funds.
- Proprietary funds include two Internal Service Funds - the Self-Funded Worker's Compensation Fund and the Self-Funded Health Insurance Fund. The proprietary fund statement is prepared using the cash basis of accounting. The proprietary fund statement is the Statement of Assets and Fund Balances and Receipts, Disbursements, and Changes in Fund Balances – Proprietary Fund.

Condensed Financial Data

For the years ended June 30, 2008 and June 30, 2009, cash and investments changed as follows:

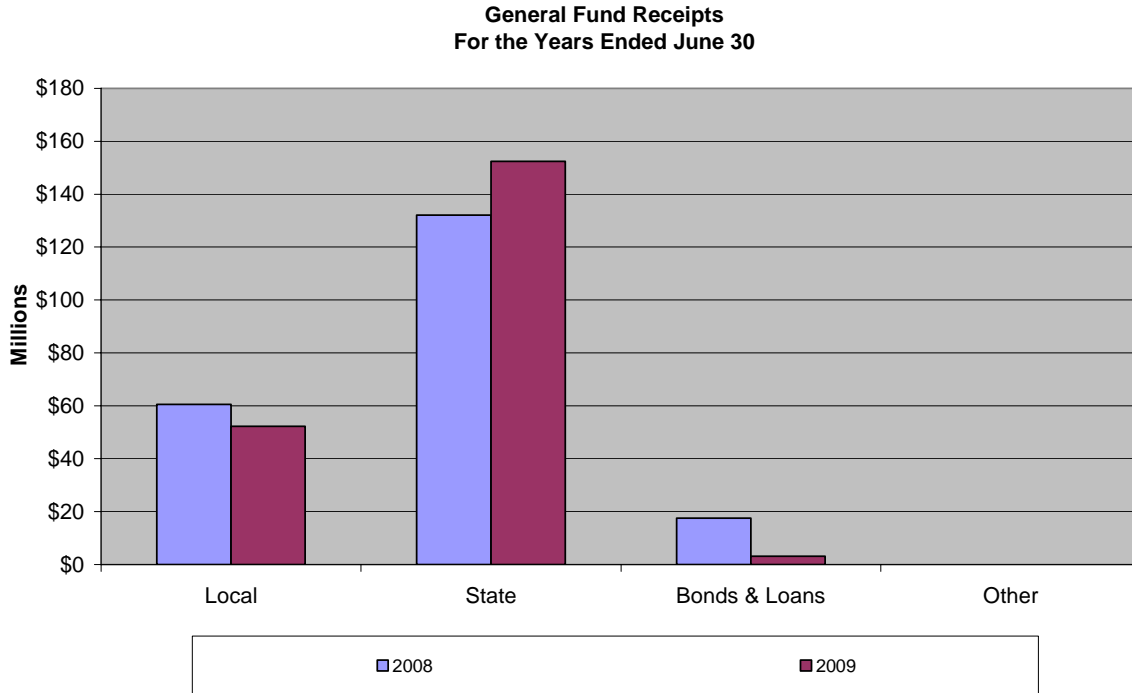
	Governmental Activities (000's omitted)	
	For the Year Ended June 30, 2008	For the Year Ended June 30, 2009
Receipts:		
<u>Program Receipts:</u>		
Charges for services	\$ 4,597	\$ 6,944
Operating grants and contributions	15,595	15,213
<u>General Receipts:</u>		
Property taxes	111,645	100,921
Other local sources	21,479	20,596
State aid adjustments and refunds	130,230	149,505
Grants and contributions, not restricted	28,365	49,687
Bonds and loans		1,983
Sale of property, adjustments, and Refunds	1,967	423
Investment earnings	3,483	1,084
Other	14	30
Total receipts	<u>317,375</u>	<u>346,386</u>
Disbursements:		
Instruction	182,301	180,358
Support services	48,488	62,929
Noninstructional services	13,630	14,226
Facilities acquisition and construction	17,257	16,315
Nonprogrammed charges	40,134	47,041
Debt services	16,273	16,171
Total disbursements	<u>318,083</u>	<u>337,040</u>
Increase in net assets	(708)	9,346
Beginning net assets	<u>43,322</u>	<u>42,614</u>
Ending net assets	<u>\$ 42,614</u>	<u>\$ 51,960</u>

Fund Analysis

In reviewing the major funds of the governmental funds, the following observations were made.

General Fund

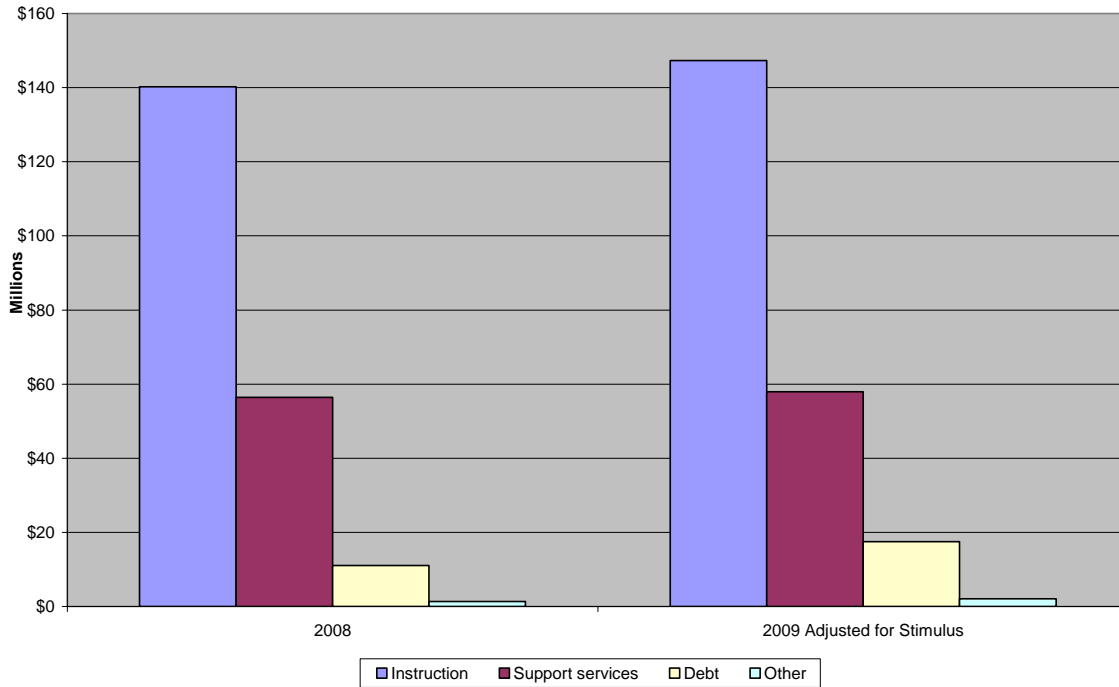
The following chart displays General Fund receipts for the years ended June 30, 2008 and June 30, 2009.



The following chart shows the allocation of General Fund disbursements for the years ended June 30, 2008 and June 30, 2009. The bars for 2008 have been adjusted to account for a change in state reporting for fringe benefits. They are now accounted for in the category that matches the work of employees and this chart has been adjusted to account for that correctly. The bars for 2009 have been adjusted to account for federal stimulus funds that supported normal General Fund expenditures. Those transactions would normally have been reported in the General Fund, but can be found in separate funds in the Combining Schedule in the financial report.

Within “Instruction”, as defined by the Indiana standard school chart of accounts, all costs that directly support the classroom are not included. Some classroom costs are also included in the “Support services” section.

**General Fund Disbursements
for the Years Ended June 30**



Transportation Operating

For the years ended June 30, 2008 and June 30, 2009 the transportation operating support services disbursements equaled \$16.5 million and \$16.5 million respectively. Total revenue for the years ended June 30, 2008 and June 30, 2009 was \$16.7 million and \$16.1 million. FWCS operates about 350 school buses.

Capital Projects Fund

For the years ended June 30, 2008 and June 30, 2009, capital projects disbursements equaled \$25.1 million and \$25.3 million respectively. Disbursements from the Capital Projects Fund are for building construction and physical plant improvements, i.e. roofs, mechanical systems, electrical, HVAC replacement, at our 62 buildings. In addition, funds are spent on general repair, equipment purchases, technology and some utility costs. Total revenue for the years ended June 30, 2008 and June 30, 2009 was \$23.8 million and \$23.3 million. The allowed revenue for the Capital Project Fund is not adequate to address all of the corporation's facility needs. The cash balance in the Capital Projects Fund is earmarked for projects in process, allowances for future property tax shortfalls due to circuit breaker legislation that limits property taxes, and possible property tax delinquencies.

Budgetary Highlights

Certain budgetary comparisons for General and Special Revenue Funds are required as supplemental information to the financial statements. Included in the financial report are the Budgetary Comparison Schedules for the General Fund.

General Fund

Although the financial statements are presented on a fiscal year basis ending June 30, the budget is approved on a calendar year basis. The budgets for both years were adjusted for temporary loans and interfund loans. Following are schedules that summarize the budgets of the General Fund. The District intentionally supported a budget of deficit spending during both years as cash balance had grown higher than cash reserve goals of 5%. Long-range financial plans are in place to reduce spending to match revenue over the next five years.

	<u>For the Year Ended December 31, 2007</u>		
Budget	Receipts	Disbursements	Net Change in Fund Balance
Original	\$ 188,391,576	\$ 189,700,000	\$ (1,308,424)
Final Loans	\$ 188,391,576 11,081,486	\$ 191,479,629 11,053,333	\$ (3,088,053) 28,153
	<u>\$ 199,473,062</u>	<u>\$ 202,532,962</u>	<u>\$ (3,059,900)</u>
Actual Loans	\$ 189,996,305 11,081,486	\$ 191,287,379 11,053,333	\$ (1,291,074) 28,153
	<u>\$ 201,077,791</u>	<u>\$ 202,340,712</u>	<u>\$ (1,262,921)</u>
Variance	\$ 1,604,729	\$ 192,250	\$ 1,796,979

	<u>For the Year Ended December 31, 2008</u>		
Budget	Receipts	Disbursements	Net Change in Fund Balance
Original	\$ 199,272,626	\$ 210,000,000	\$ (10,727,374)
Final Loans	\$ 199,272,626 17,500,000	\$ 210,215,378 17,500,000	\$ (10,942,752) -
	<u>\$ 216,772,626</u>	<u>\$ 227,715,378</u>	<u>\$ (10,942,752)</u>
Actual Loans	\$ 195,545,135 17,500,000	\$ 204,536,949 17,500,000	\$ (8,991,814) -
	<u>\$ 213,045,135</u>	<u>\$ 222,036,949</u>	<u>\$ (8,991,814)</u>
Variance	\$ (3,727,491)	\$ 5,678,429	\$ 1,950,938
Net Two Year Variance	\$ (2,122,762)	\$ 5,870,679	\$ 3,747,917

Capital Asset and Long-Term Debt Activity

As of June 30, 2009, FWCS had \$324.3 million invested in capital assets, including buildings, stadiums, grounds, roads, and equipment. Many of our buildings and capital assets are over fifty years old. Since historical costs were not kept on some capital assets, we have used the Estimated Historical Cost approach of applying current replacement cost with an index to approximate the historical cost of some items. The following chart details the capital asset balance as of June 30, 2009.

	Balance <u>6/30/2009</u>
Governmental activities:	
Capital assets, not being depreciated	
Land	\$8,983,544
Buildings	263,610,042
Improvements other than buildings	22,358,306
Machinery and equipment	28,730,085
Construction in progress	<u>621,384</u>
Total governmental activities, capital assets not being depreciated	<u><u>\$324,303,361</u></u>

Long-term Debt Activity:

As of June 30, 2009 FWCS outstanding debt totaled \$104.8 million and consisted of the following:

- Energy Capital Leases (end 2011)
- General Obligation Bonds of 2009 (Wayne New Tech) (end 2011)
- South Side High School Capital Lease (end 2012)
- North Side High School Capital Lease (end 2018)
- Pension Bonds (tax neutral and end in 2022)
- Nutrition Center (end 2018)
- Technology Loans (ends 2011)
- Technology Capital Leases (end 2012)

In March of 2009, FWCS entered into a general obligation bond for the Wayne New Tech High School, with a principal balance of \$1,990,000 and repayment by January 2011. The bond provided funding to renovate Wayne High school, technology and furnishings to implement the New Tech program as prescribed by the New Tech Foundation.

State sponsored, low interest, technology loans were borrowed in the amount of \$5,645,070 and are included in "Loans Payable". Also, "Capital Leases" for school computers increased by \$605,869.

During 2007 and 2008, the North Side and South Side bonds were refinanced to take advantage of lower interest rates.

CHANGES IN LONG-TERM DEBT

	<u>Fiscal Year 2007-2008</u>			<u>Balance June 30</u>
	<u>Balance July 1</u>	<u>Additions</u>	<u>Reductions</u>	
Governmental Activities:				
Bonds Payable	\$37,130,000	\$ -	\$1,740,000	\$35,390,000
Capital Leases	75,181,837	2,020,869	6,848,612	70,354,094
Loans Payable	5,906,449	3,151,196	3,097,796	5,959,849
	<u>\$118,218,286</u>	<u>\$5,172,065</u>	<u>\$11,686,408</u>	<u>\$111,703,943</u>

	<u>Fiscal Year 2008-2009</u>			<u>Balance June 30</u>	<u>Due Within One Year as of June 30, 2009</u>
	<u>Balance July 1</u>	<u>Additions</u>	<u>Reductions</u>		
Governmental Activities:					
Bonds Payable	\$35,390,000	\$1,990,000	\$1,820,000	\$35,560,000	\$3,885,605
Capital Leases	70,354,094	-	6,742,956	63,611,138	9,362,871
Loans Payable	5,959,849	2,493,874	2,866,142	5,587,581	3,170,055
	<u>\$111,703,943</u>	<u>\$4,483,874</u>	<u>\$11,429,098</u>	<u>\$104,758,719</u>	<u>\$16,418,531</u>

Other Currently Known Facts

Building Improvements

FWCS conducted an assessment of all of its aging buildings. In addition, a demographic study was completed. Following are some findings:

- Thirty-eight of the school corporation's buildings (61%) are more than 40 years old.
- Twenty-two (35%) are 26 to 40 years old.
- Only 17 (27%) of the buildings are fully air-conditioned.
- Only 15% of our buildings have adequate infrastructure.

In 2007, the District was unsuccessful in gaining community approval for a long-range facility plan estimated at \$500 million. In January 2008, the board affirmed the need for building improvements by approving a goal to develop a sound long-range facilities plan in order to provide safe, clean, modern and well-equipped facilities acceptable to the community.

Expenditure Categories

The School Board of Trustees is required to establish goals for spending in each of four categories: academic achievement, instructional support, overhead and operational and non-operational. The latest state data provided for 2007-2008 shows that Fort Wayne Community Schools spent 70.3% in the first two categories compared to the state average of 60.6%. The board set a goal to strive to improve upon the current percentages between the expenditures for the student instructional categories and the other expenditure categories.

Federal Stimulus Funding

During 2009, FWCS was awarded federal stimulus funding based on our student population. Total grants for two years were received under Title I in the amount of \$9.5 million and IDEA (Special Education) in the amount of \$9.5 million. Each grant has a requirement to forward a portion of the funding to eligible private schools within our boundaries. The grants also require a certain percentage of funds to be used for various requirements including professional development and school improvement. FWCS is spending the majority of its undesignated funding on teacher coaches and student interventionists. The stimulus provided for about 90 school positions.

Pending Legislation

Currently there are property tax caps in place, but the legislature is considering permanence by amending the state constitution. The cap limit has been called a "circuit breaker". This would require a state-wide referendum. In 2009, FWCS lost \$1.1 million due to these caps. That amount is expected to grow to \$4.1 million by 2011. The estimated loss to FWCS affects the Capital Projects, Transportation, Racial Balance and Bus Replacement Funds.

Contacting FWCS Financial Management

This financial report is designed to provide our citizens, taxpayers, patrons, and creditors with a general overview of FWCS finances and to show FWCS accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Chief Financial Officer
Fort Wayne Community Schools
1200 South Clinton Street (3rd Floor)
Fort Wayne, IN 46802
(260) 467-2000

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 182,301,401	\$ -	\$ 3,303,187	\$ (178,998,214)
Support services	48,488,433	4,597,457	12,291,709	(31,599,267)
Noninstructional services	13,630,138	-	-	(13,630,138)
Facilities acquisition and construction	17,256,593	-	-	(17,256,593)
Debt service	16,272,861	-	-	(16,272,861)
Nonprogrammed charges	40,134,298	-	-	(40,134,298)
Total governmental activities	<u>\$ 318,083,724</u>	<u>\$ 4,597,457</u>	<u>\$ 15,594,896</u>	<u>(297,891,371)</u>
General receipts:				
Property taxes				111,644,726
Other local sources				21,479,291
State aid				130,230,203
Grants and contributions not restricted to specific programs				28,364,940
Sale of property				1,967,477
Investment earnings				3,482,993
Other				<u>13,807</u>
Total general receipts				<u>297,183,437</u>
Change in net assets				(707,934)
Net assets - beginning				<u>43,321,881</u>
Net assets - ending				<u>\$ 42,613,947</u>
<u>Assets</u>				
Cash and investments				\$ 24,434,481
Restricted assets:				
Cash and investments				<u>18,179,466</u>
Total assets				<u>\$ 42,613,947</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 1,199,351
Other purposes				16,980,115
Unrestricted				<u>24,434,481</u>
Total net assets				<u>\$ 42,613,947</u>

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

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

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		<u>Net (Disbursement) Receipts and Changes in Net Assets</u>
		Charges for Services	Operating Grants and Contributions	<u>Totals</u>
Governmental activities:				
Instruction	\$ 180,357,378	\$ -	\$ 4,197,442	\$ (176,159,936)
Support services	62,929,149	6,944,542	11,015,575	(44,969,032)
Noninstructional services	14,226,398	-	-	(14,226,398)
Facilities acquisition and construction	16,315,113	-	-	(16,315,113)
Debt service	16,171,193	-	-	(16,171,193)
Nonprogrammed charges	<u>47,041,237</u>	<u>-</u>	<u>-</u>	<u>(47,041,237)</u>
Total governmental activities	<u>\$ 337,040,468</u>	<u>\$ 6,944,542</u>	<u>\$ 15,213,017</u>	<u>(314,882,909)</u>
General receipts:				
Property taxes				100,920,792
Other local sources				20,596,264
State aid				149,504,553
Bonds and loans				1,982,688
Grants and contributions not restricted to specific programs				49,686,979
Sale of property				423,061
Investment earnings				1,084,238
Other				<u>30,035</u>
Total general receipts				<u>324,228,610</u>
Change in net assets				9,345,701
Net assets - beginning				<u>42,613,947</u>
Net assets - ending				<u>\$ 51,959,648</u>
<u>Assets</u>				
Cash and investments				\$ 19,979,775
Restricted assets:				
Cash and investments				<u>31,979,873</u>
Total assets				<u>\$ 51,959,648</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 498,659
Other purposes				31,481,214
Unrestricted				<u>19,979,775</u>
Total net assets				<u>\$ 51,959,648</u>

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

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

	General	Food Service	Textbook Rental	Other	Totals
Receipts:					
Local sources	\$ 60,588,502	\$ 4,402,964	\$ 1,156,652	\$ 75,051,722	\$ 141,199,840
Intermediate sources	-	-	-	4,623	4,623
State sources	132,135,537	104,885	1,341,818	5,173,923	138,756,163
Federal sources	1,643	10,312,751	-	25,119,483	35,433,877
Interfund loans	17,500,000	-	-	3,753,333	21,253,333
Other	209	2,545	-	11,053	13,807
Total receipts	210,225,891	14,823,145	2,498,470	109,114,137	336,661,643
Disbursements:					
Current:					
Instruction	146,010,967	-	-	36,290,434	182,301,401
Support services	50,703,180	199,649	1,621,607	40,242,696	92,767,132
Noninstructional services	820,204	12,272,129	-	537,805	13,630,138
Facilities acquisition and construction	358,433	-	-	16,898,160	17,256,593
Debt services	-	-	-	16,272,861	16,272,861
Nonprogrammed charges	150,414	-	-	1,030,684	1,181,098
Interfund loans	11,053,333	-	-	3,543,000	14,596,333
Total disbursements	209,096,531	12,471,778	1,621,607	114,815,640	338,005,556
Excess (deficiency) of receipts over disbursements	1,129,360	2,351,367	876,863	(5,701,503)	(1,343,913)
Other financing sources (uses):					
Sale of capital assets	348,323	-	561,099	992,000	1,901,422
Transfers in	209,374	-	1,173,341	5,000,985	6,383,700
Transfers out	(1,306,512)	(398,204)	-	(4,678,984)	(6,383,700)
Total other financing sources (uses)	(748,815)	(398,204)	1,734,440	1,314,001	1,901,422
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	380,545	1,953,163	2,611,303	(4,387,502)	557,509
Cash and investments - beginning	3,866,100	2,272,093	6,250,978	12,687,152	25,076,323
Cash and investments - ending	<u>\$ 4,246,645</u>	<u>\$ 4,225,256</u>	<u>\$ 8,862,281</u>	<u>\$ 8,299,650</u>	25,633,832
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:					
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					<u>16,980,115</u>
Net assets of governmental activities					<u>\$ 42,613,947</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 4,246,645	\$ 4,225,256	\$ 8,862,281	\$ 7,100,299	\$ 24,434,481
Restricted assets:					
Cash and investments	-	-	-	1,199,351	1,199,351
Total cash and investment assets - ending	<u>\$ 4,246,645</u>	<u>\$ 4,225,256</u>	<u>\$ 8,862,281</u>	<u>\$ 8,299,650</u>	<u>\$ 25,633,832</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 1,199,351	\$ 1,199,351
Unrestricted	4,246,645	4,225,256	8,862,281	7,100,299	24,434,481
Total cash and investment fund balance - ending	<u>\$ 4,246,645</u>	<u>\$ 4,225,256</u>	<u>\$ 8,862,281</u>	<u>\$ 8,299,650</u>	<u>\$ 25,633,832</u>

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

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

	General	Food Service	Textbook Rental	Other	Totals
Receipts:					
Local sources	\$ 52,259,530	\$ 4,052,178	\$ 1,625,846	\$ 71,600,235	\$ 129,537,789
Intermediate sources	821	-	-	7,226	8,047
State sources	152,402,919	101,972	1,402,392	6,683,670	160,590,953
Federal sources	4,752	8,996,379	-	44,812,465	53,813,596
Interfund loans	3,113,333	-	-	4,606,427	7,719,760
Other	4,307	2,545	-	23,183	30,035
Total receipts	207,785,662	13,153,074	3,028,238	127,733,206	351,700,180
Disbursements:					
Current:					
Instruction	131,809,139	-	-	48,548,239	180,357,378
Support services	57,186,830	204,522	7,870,918	43,926,284	109,188,554
Noninstructional services	956,494	12,516,667	-	753,237	14,226,398
Facilities acquisition and construction	397,447	-	-	15,917,666	16,315,113
Debt services	-	-	-	16,171,193	16,171,193
Nonprogrammed charges	708,768	-	-	1,004,163	1,712,931
Interfund loans	17,500,000	-	-	3,789,760	21,289,760
Total disbursements	208,558,678	12,721,189	7,870,918	130,110,542	359,261,327
Excess (deficiency) of receipts over disbursements	(773,016)	431,885	(4,842,680)	(2,377,336)	(7,561,147)
Other financing sources (uses):					
Proceeds of long-term debt	-	-	-	1,982,688	1,982,688
Sale of capital assets	100,809	-	7,352	314,900	423,061
Transfers in	113,012	-	1,288,490	4,318,043	5,719,545
Transfers out	(1,337,058)	(358,760)	-	(4,023,727)	(5,719,545)
Total other financing sources (uses)	(1,123,237)	(358,760)	1,295,842	2,591,904	2,405,749
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(1,896,253)	73,125	(3,546,838)	214,568	(5,155,398)
Cash and investments - beginning	4,246,645	4,225,256	8,862,281	8,299,650	25,633,832
Cash and investments - ending	<u>\$ 2,350,392</u>	<u>\$ 4,298,381</u>	<u>\$ 5,315,443</u>	<u>\$ 8,514,218</u>	20,478,434
Amounts reported for governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis are different because:					
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Activities and Net Assets - Cash and Investment Basis.					
					<u>31,481,214</u>
Net assets of governmental activities					<u>\$ 51,959,648</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 2,350,392	\$ 4,298,381	\$ 5,315,443	\$ 8,015,559	\$ 19,979,775
Restricted assets:					
Cash and investments	-	-	-	498,659	498,659
Total cash and investment assets - ending	<u>\$ 2,350,392</u>	<u>\$ 4,298,381</u>	<u>\$ 5,315,443</u>	<u>\$ 8,514,218</u>	<u>\$ 20,478,434</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ 498,659	\$ 498,659
Unrestricted	2,350,392	4,298,381	5,315,443	8,015,559	19,979,775
Total cash and investment fund balance - ending	<u>\$ 2,350,392</u>	<u>\$ 4,298,381</u>	<u>\$ 5,315,443</u>	<u>\$ 8,514,218</u>	<u>\$ 20,478,434</u>

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

FORT WAYNE COMMUNITY SCHOOLS
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
For the Year Ended June 30, 2008

	<u>Internal Service Fund</u>
Operating receipts:	
Charges for services	\$ 44,278,699
Miscellaneous	66,058
Interfund loans	<u>14,543,000</u>
Total operating receipts	<u>58,887,757</u>
Operating disbursements:	
Insurance claims and expense	38,953,200
Interfund Loans	<u>21,200,000</u>
Total operating disbursements	<u>60,153,200</u>
Deficiency of operating receipts over operating disbursements	(1,265,443)
Cash and investment fund balance - beginning	<u>18,245,558</u>
Cash and investment fund balance - ending	<u>\$ 16,980,115</u>
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	<u>\$ 16,980,115</u>
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	<u>\$ 16,980,115</u>

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

FORT WAYNE COMMUNITY SCHOOLS
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS, DISBURSEMENTS,
AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
PROPRIETARY FUND
For the Year Ended June 30, 2009

	Internal Service Fund
Operating receipts:	
Charges for services	\$ 46,259,405
Interfund loans	21,236,427
Total operating receipts	67,495,832
Operating disbursements:	
Insurance claims and expense	45,328,306
Interfund loans	7,666,427
Total operating disbursements	52,994,733
Excess of operating receipts over operating disbursements	14,501,099
Cash and investment fund balance - beginning	16,980,115
Cash and investment fund balance - ending	\$ 31,481,214
<u>Cash and Investment Assets - Ending</u>	
Restricted assets:	
Cash and investments	\$ 31,481,214
<u>Cash and Investment Fund Balance - Ending</u>	
Restricted for:	
Other purposes	\$ 31,481,214

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

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

	Pension Trust Funds	Agency Funds
Deductions:		
Benefits	\$ 978,554	
Deficiency of total additions over total deductions	(978,554)	
Cash and investment fund balance - beginning	6,202,718	
Cash and investment fund balance - ending	\$ 5,224,164	\$ 14,082,465
Net assets:		
Cash and investments	\$ 5,224,164	
Total net assets - cash and investment basis held in trust	\$ 5,224,164	

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

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

	Pension Trust Funds	Agency Funds
Deductions:		
Benefits	\$ 1,269,918	
Deficiency of total additions over total deductions	(1,269,918)	
Cash and investment fund balance - beginning	5,224,164	
Cash and investment fund balance - ending	\$ 3,954,246	\$ 6,276,581
Net assets:		
Cash and investments	\$ 3,954,246	
Total net assets - cash and investment basis held in trust	\$ 3,954,246	

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

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

The School Corporation's financial reporting entity is composed of the following:

Primary Government: Fort Wayne Community Schools

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

Related Organizations

The School Corporation's officials are also responsible for appointing the members of the boards of other organizations, but the School Corporation's accountability for these organizations does not extend beyond making the appointments. The School Corporation appoints some board members for Allen County Historical Society, Allen County Public Library, Arts United, Fort Wayne Museum of Art, Indiana Cooperative Library Services Authority, and FWCS Scholarship Committee.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets – Cash and Investment Basis displays information about the reporting government as a whole. It includes all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Statements

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

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

The School Corporation reports the following major governmental funds:

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

The food service fund accounts for financial resources for the nutrition programs for children including breakfast and lunch.

The textbook rental fund is used to account for receipts and disbursements concerning textbooks and workbooks furnished to students.

Additionally, the School Corporation reports the following fund types:

The internal service fund accounts for self-funded health insurance and worker's compensation insurance provided to other departments. These funds are supported by premiums charged to funds based on employee participation or salary expense.

The pension trust funds account for post-retirement benefits or severance benefits held by the School Corporation in a trustee capacity.

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

C. Measurement Focus and Basis of Accounting

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

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

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

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

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

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets and Cash and Investment Balances

1. Cash and Investments

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

2. Property Taxes

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

3. Capital Assets

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

4. Long-Term Debt

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

5. Equity Classification

Government-Wide Statements

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

- a. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- b. Unrestricted net assets – All other net assets that do not meet the definition of "restricted."

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

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

Fund Financial Statements

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

E. Receipts and Disbursements

1. Program Receipts

Amounts reported as program receipts include (1) charges to customers or applicants for goods, services, or privileges provided and (2) operating grants and contributions.

2. Operating Receipts and Disbursements

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

F. Internal and Interfund Balances and Activities

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

Fund Financial Statements

1. Interfund services – Sales or purchases of goods and services between funds are reported as receipts and disbursements.
2. Interfund reimbursements – Repayments from funds responsible for certain disbursements to the funds that initially paid for them are reported as reimbursements.
3. Interfund transfers – Flow of assets from one fund to another where repayment is not expected is reported as transfers in and out.

Government-Wide Financial Statements

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

Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities and Net Assets – Cash and Investment Basis.

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

II. Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

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

B. Cash and Investment Balance Deficits

At June 30, 2008 and 2009, the following funds reported deficits in cash and investments, which are violations of the Uniform Compliance Guidelines as authorized by state statute:

Fund	Fiscal Year 2007-2008	Fiscal Year 2008-2009
Common School	\$ (1,020,517)	\$ (1,204)
(STAA) School Technology Advancement FY 08/09	(195,135)	(183,762)
Neighborhood Connection FY 08/09	-	(20,093)
Title I School Improvement	(15,093)	-
Title I	-	(1,519,384)
K-2 Special Education	(24,677)	-
Special Education Basic	(380,866)	(590,709)
Special Education Basic Carryover	(629,144)	-
Special Education Preschool	(43,277)	(75,679)
Vocational Education	(154,573)	-
Project Lead the Way	-	(3,005)
Smaller Learning Communities	(277,391)	(152,156)
Reading First	-	(113,191)

Cash and investment deficits arose primarily from disbursements exceeding receipts. Most of the deficit balances are from grant or loan funds from which the deficit balance will be paid with future receipts.

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk. At June 30, 2009, the School Corporation bank balances held at JPMorgan Chase Bank in the amount of \$22,935,105 and at Wells Fargo Bank in the amount of \$797,545 were collateralized with securities held by the pledging financial institution's trust department or agent, but not in the depositor-School Corporation's name. These investments were exposed to custodial credit risk, however bank balances are insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

2. Investments

As of June 30, 2009, the School Corporation had \$287,383 invested with TrustINdiana, a local government investment pool. The investment pool is authorized by Indiana Code 5-13-9-11 and only invests public sector funds in securities and other investments which are legally permitted pursuant to Indiana law and in the manner further defined by the TrustINdiana investment policy.

Statutory Authorization for Investments

Indiana Code 5-13-9 authorizes the School Corporation to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the School Corporation to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

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

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Investment Custodial Credit Risk

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

The investment of \$287,383 with TrustIndiana held by the School Corporation was exposed to custodial credit risk because it was uninsured and unregistered with securities held by the counterparty's trust department or agent but not in the government's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than two years. The School Corporation does not have a formal investment policy for interest rate risk for investments.

Investment Type	Investment Maturities (in Years)		
	Less Than 1	1-2	More Than 2
External investment pool	\$ 287,383	\$ -	\$ -

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The School Corporation does not have a formal investment policy for credit risk for investments.

School Corporation's Investments		
Standard and Poor's Rating	Moody's Rating	Investment Pool
AAA	Aaa	\$ 287,383

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

Concentration of Credit Risk

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

B. Interfund Transfers

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

<u>Transfer From</u>	<u>Transfer To</u>	<u>Fiscal Year 2007-2008</u>	<u>Fiscal Year 2008-2009</u>
General	Textbook Rental	\$ 1,173,341	\$ 1,288,490
	Other governmental	133,171	48,568
Food Service	Other governmental	398,204	358,760
Other governmental	General	209,374	113,012
	Other governmental	<u>4,469,610</u>	<u>3,910,715</u>
Totals		<u>\$ 6,383,700</u>	<u>\$ 5,719,545</u>

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

IV. Other Information

A. Risk Management

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

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Job Related Illnesses or Injuries to Employees

The School Corporation has chosen to establish a risk financing fund for risks associated with worker's compensation. The risk financing fund is accounted for in the Worker's Compensation Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$250,000 per occurrence per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Interfund premiums are paid into the fund by all affected funds

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon three premium percentages which are applied to each affected fund according to risk and wages. The premium payments are reported as quasi-external interfund transactions.

Medical Benefits

The School Corporation has chosen to establish a risk financing fund for risks associated with employee health insurance. The risk financing fund is accounted for in the Health Insurance Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$300,000 per person, per year. Interfund premiums are paid into the fund by all affected funds and are available to pay claims, claim reserves, and administrative costs of the program. Premiums are allocated to the affected funds according to how many employees enrolled in the health insurance plan are paid from the affected funds and whether they are enrolled in the family or single plans. The premium payments are reported as quasi-external interfund transactions.

B. Holding Corporations

The School Corporation has entered into a capital lease with Fort Wayne South Side Building Corporation, the North Side Building Corporation, and the Food Service Center Holding Corporation (the lessors). The Fort Wayne South Side Building Corporation was organized as a for-profit corporation and the other holding corporations were organized as not-for-profit organizations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation.

The renovations to South Side High School and North Side High School, along with the construction of the Food Service Center, are included in the Corporation's Schedule of Capital Assets. The related debt is included in the Schedule of Long-Term Debt. The lessors have been determined to be related parties of the School Corporation. Lease payments for the years ending June 30, 2008 and 2009, were \$8,766,481 and \$8,778,140.

C. Postemployment Benefits

In addition to the pension benefits described below, the School Corporation provides postemployment health insurance and/or life insurance benefits to fifty-nine (59) employees who retired from the School Corporation before the pension buyout July 1, 2004, and who retired on or after attaining age 55 with at least 15 years of service. The School Corporation pays 100% of the life insurance premium for the eligible retirees and 16% to 90% of the health insurance premium. The life insurance benefit ends when retirees are 70 years old. The health insurance benefit ends when the retirees are eligible for Medicare. Disbursements for those postemployment benefits are recognized on a pay-as-you-go basis. Disbursements for postemployment benefits were approximately \$21,800 for life insurance and \$236,357 for health insurance for the year ending June 30, 2009.

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Pension Plans

1. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Information for the Above Plan

	PERF
Annual required contribution	\$ 3,071,015
Interest on net pension obligation	(187,115)
Adjustment to annual required contribution	213,232
Annual pension cost	3,097,132
Contributions made	3,021,779
Increase in net pension obligation	75,353
Net pension obligation, beginning of year	(2,580,900)
Net pension obligation, end of year	\$ (2,505,547)

	PERF
Contribution rates:	
School Corporation	7%
Plan members	3%
Actuarial valuation date	07-01-08
Actuarial cost method	Entry age
Amortization method	Level percentage of projected payroll, closed
Amortization period	30 years
Amortization period (from date)	07-01-97
Asset valuation method	75% of expected actuarial value plus 25% of market value

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

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-06	\$ 2,694,273	97%	\$ (2,845,872)
	06-30-07	3,025,779	91%	(2,580,900)
	06-30-08	3,097,132	98%	(2,505,547)

FORT WAYNE COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Costs

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

Plan members are required to contribute 3% of their salary (the 3% is paid for the employees by the School Corporation) and the School Corporation is to contribute at an actuarially determined rate. The current rate has been actuarially determined under the entry age normal cost method to be 6.82% of covered wages. The School Corporation's required contributions to the plan for the fiscal years ended June 30, 2009, 2008, and 2007, were \$5,105,508, \$4,557,549, and \$3,826,139, respectively. The School Corporation actually contributed 100% of the required contribution for each of the fiscal years.

FORT WAYNE COMMUNITY SCHOOLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ 51,542,704	\$ 54,962,082	\$ (3,419,378)	94%	\$ 43,283,752	(8%)
07-01-07	57,196,264	59,669,772	(2,473,508)	96%	44,239,981	(6%)
07-01-08	60,940,505	63,600,498	(2,659,993)	96%	47,145,008	(6%)

FORT WAYNE COMMUNITY SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

	For The Year Ended December 31, 2007				For The Year Ended December 31, 2008			
	General Fund Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)	General Fund Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Receipts:								
Local sources	\$ 61,083,347	\$ 61,083,347	\$ 61,264,026	\$ 180,679	\$ 60,314,201	\$ 60,314,201	\$ 57,441,193	\$ (2,873,008)
Intermediate sources	547	547	547	-	547	547	-	(547)
State sources	126,837,682	126,837,682	128,011,716	1,174,034	138,488,878	138,488,878	137,848,334	(640,544)
Federal sources	-	-	1,634	1,634	-	-	1,881	1,881
Bonds and loans	-	11,081,486	11,081,486	-	-	17,500,000	17,500,000	-
Sale of property, adjustments and refunds	470,000	470,000	605,393	135,393	4,000	4,000	103,381	99,381
Intergovernmental transfers	-	-	112,989	112,989	465,000	465,000	150,346	(314,654)
Total receipts	<u>188,391,576</u>	<u>199,473,062</u>	<u>201,077,791</u>	<u>1,604,729</u>	<u>199,272,626</u>	<u>216,772,626</u>	<u>213,045,135</u>	<u>(3,727,491)</u>
Disbursements:								
Current:								
Instruction	98,024,551	100,737,323	100,728,669	8,654	144,358,015	145,960,471	144,384,438	1,576,033
Support services	89,333,546	88,600,403	88,553,197	47,206	63,323,192	61,932,378	57,874,949	4,057,429
Community services	896,903	746,903	745,863	1,040	873,793	877,529	855,901	21,628
Nonprogrammed charges	1,445,000	1,395,000	1,259,650	135,350	1,445,000	1,445,000	1,421,661	23,339
Debt services	-	11,053,333	11,053,333	-	-	17,500,000	17,500,000	-
Total disbursements	<u>189,700,000</u>	<u>202,532,962</u>	<u>202,340,712</u>	<u>192,250</u>	<u>210,000,000</u>	<u>227,715,378</u>	<u>222,036,949</u>	<u>5,678,429</u>
Net change in fund balances	(1,308,424)	(3,059,900)	(1,262,921)	1,796,979	(10,727,374)	(10,942,752)	(8,991,814)	1,950,938
Fund balances - beginning	<u>18,147,209</u>	<u>18,147,209</u>	<u>18,147,209</u>	-	<u>16,884,288</u>	<u>16,884,288</u>	<u>16,884,288</u>	-
Fund balances - December 31	<u>\$ 16,838,785</u>	<u>\$ 15,087,309</u>	<u>\$ 16,884,288</u>	<u>\$ 1,796,979</u>	<u>\$ 6,156,914</u>	<u>\$ 5,941,536</u>	<u>\$ 7,892,474</u>	<u>\$ 1,950,938</u>

Note to Budgetary Comparison Schedule: School corporation budgets are approved on a calendar year basis. The above schedule is therefore presented on this basis while the financial statements are presented on a fiscal year basis ending on June 30.

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

	Transportation Operating	Preschool	Regional Vocational	Museum of Art	Educational License Plate	Alternative Education	Early Intervention
Receipts:							
Local sources	\$ 16,729,464	\$ 204,012	\$ 4,783,328	\$ 187,134	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	4,623	-	-
State sources	-	996,150	-	-	-	403,549	21,500
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	200,000	-	-	-	-	-
Other	2,658	-	-	-	-	-	-
Total receipts	16,732,122	1,400,162	4,783,328	187,134	4,623	403,549	21,500
Disbursements:							
Current:							
Instruction	-	1,320,056	3,850,427	-	-	168,943	2,908
Support services	15,850,461	55,730	658,829	-	-	-	22,854
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	137,033	185,113	-	-	-
Interfund loans	630,000	32,000	-	-	-	-	-
Total disbursements	16,480,461	1,407,786	4,646,289	185,113	-	168,943	25,762
Excess (deficiency) of receipts over disbursements	251,661	(7,624)	137,039	2,021	4,623	234,606	(4,262)
Other financing sources (uses):							
Sale of capital assets	127,999	-	138,457	-	-	-	-
Transfers in	-	-	-	-	-	133,171	-
Transfers out	-	-	(174,189)	-	-	-	(5,738)
Total other financing sources (uses)	127,999	-	(35,732)	-	-	133,171	(5,738)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	379,660	(7,624)	101,307	2,021	4,623	367,777	(10,000)
Cash and investments - beginning	304,585	7,774	466,535	21,553	59,499	(78,796)	10,000
Cash and investments - ending	\$ 684,245	\$ 150	\$ 567,842	\$ 23,574	\$ 64,122	\$ 288,981	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 684,245	\$ 150	\$ 567,842	\$ 23,574	\$ 64,122	\$ 288,981	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 684,245	\$ 150	\$ 567,842	\$ 23,574	\$ 64,122	\$ 288,981	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	684,245	150	567,842	23,574	64,122	288,981	-
Total cash and investment fund balance - ending	\$ 684,245	\$ 150	\$ 567,842	\$ 23,574	\$ 64,122	\$ 288,981	\$ -

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

	Ready Schools	Donations	Access Channel	Wallace Readers	Education Improvement	Knight Foundation	Ready to Learn
Receipts:							
Local sources	\$ -	\$ 451,515	\$ 217,168	\$ 781,751	\$ -	\$ 55,000	\$ 6,271
Intermediate sources	-	-	-	-	-	-	-
State sources	20,000	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	3,718	-	-	-	-	-
Total receipts	20,000	455,233	217,168	781,751	-	55,000	6,271
Disbursements:							
Current:							
Instruction	4,865	396,450	21,026	4,728	771,000	2,450	553
Support services	610	192,320	141,346	486,985	-	144,132	4,773
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	263	-	-	27,943	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	5,738	588,770	162,372	519,656	771,000	146,582	5,326
Excess (deficiency) of receipts over disbursements	14,262	(133,537)	54,796	262,095	(771,000)	(91,582)	945
Other financing sources (uses):							
Sale of capital assets	-	5,156	-	-	-	-	-
Transfers in	5,738	-	-	273,927	771,000	-	-
Transfers out	-	-	-	(273,927)	-	-	-
Total other financing sources (uses)	5,738	5,156	-	-	771,000	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,000	(128,381)	54,796	262,095	-	(91,582)	945
Cash and investments - beginning	-	468,717	(17,851)	295,028	-	207,944	(945)
Cash and investments - ending	\$ 20,000	\$ 340,336	\$ 36,945	\$ 557,123	\$ -	\$ 116,362	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 20,000	\$ 340,336	\$ 36,945	\$ 557,123	\$ -	\$ 116,362	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 20,000	\$ 340,336	\$ 36,945	\$ 557,123	\$ -	\$ 116,362	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	20,000	340,336	36,945	557,123	-	116,362	-
Total cash and investment fund balance - ending	\$ 20,000	\$ 340,336	\$ 36,945	\$ 557,123	\$ -	\$ 116,362	\$ -

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

	Foellinger Grant	Foellinger Parent Enrichment	Scholarships	Unemployment	Driver Education	(STAA) School Technology Advancement FY 07/08	Common School
Receipts:							
Local sources	\$ 442,800	\$ 78,886	\$ 5,615	\$ -	\$ 118,314	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	117,690	1,797,852
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	442,800	78,886	5,615	-	118,314	117,690	1,797,852
Disbursements:							
Current:							
Instruction	215,696	-	-	-	113,253	-	-
Support services	44,814	64,917	-	-	2,875	65,551	2,626,738
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	6,209	-	7,049	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	266,719	64,917	7,049	-	116,128	65,551	2,626,738
Excess (deficiency) of receipts over disbursements	176,081	13,969	(1,434)	-	2,186	52,139	(828,886)
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	16,210	-	-	61,768	-	-	-
Transfers out	(16,210)	-	-	(61,768)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	176,081	13,969	(1,434)	-	2,186	52,139	(828,886)
Cash and investments - beginning	(90,131)	13,191	145,385	180,000	116,957	(52,139)	(191,631)
Cash and investments - ending	<u>\$ 85,950</u>	<u>\$ 27,160</u>	<u>\$ 143,951</u>	<u>\$ 180,000</u>	<u>\$ 119,143</u>	<u>\$ -</u>	<u>\$ (1,020,517)</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 85,950	\$ 27,160	\$ 143,951	\$ 180,000	\$ 119,143	\$ -	\$ (1,020,517)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 85,950	\$ 27,160	\$ 143,951	\$ 180,000	\$ 119,143	\$ -	\$ (1,020,517)
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	85,950	27,160	143,951	180,000	119,143	-	(1,020,517)
Total cash and investment fund balance - ending	\$ 85,950	\$ 27,160	\$ 143,951	\$ 180,000	\$ 119,143	\$ -	\$ (1,020,517)

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

	(STAA) School Technology Advancement FY 08/09	Continuing Education	Neighborhood Connection FY 08/09	Medicaid Reimbursement State	Neighborhood Connection FY 07/08	Non-English Speaking Program	School Technology
Receipts:							
Local sources	\$ -	\$ 106,901	\$ 76,080	\$ -	\$ 66,107	\$ -	\$ 618,956
Intermediate sources	-	-	-	-	-	-	-
State sources	-	926,120	-	95,397	-	274,925	-
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	-	1,033,021	76,080	95,397	66,107	274,925	618,956
Disbursements:							
Current:							
Instruction	-	1,045,327	85,423	-	82,530	243,634	-
Support services	195,135	559	-	-	-	61,089	863,002
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	195,135	1,045,886	85,423	-	82,530	304,723	863,002
Excess (deficiency) of receipts over disbursements	(195,135)	(12,865)	(9,343)	95,397	(16,423)	(29,798)	(244,046)
Other financing sources (uses):							
Sale of capital assets	-	88,943	-	-	-	-	-
Transfers in	-	-	20,821	-	-	-	-
Transfers out	-	-	-	(158,767)	(20,821)	-	-
Total other financing sources (uses)	-	88,943	20,821	(158,767)	(20,821)	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(195,135)	76,078	11,478	(63,370)	(37,244)	(29,798)	(244,046)
Cash and investments - beginning	-	48,558	-	63,370	37,244	76,545	782,307
Cash and investments - ending	<u>\$ (195,135)</u>	<u>\$ 124,636</u>	<u>\$ 11,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,747</u>	<u>\$ 538,261</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ (195,135)	\$ 124,636	\$ 11,478	\$ -	\$ -	\$ 46,747	\$ 538,261
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ (195,135)	\$ 124,636	\$ 11,478	\$ -	\$ -	\$ 46,747	\$ 538,261
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(195,135)	124,636	11,478	-	-	46,747	538,261
Total cash and investment fund balance - ending	\$ (195,135)	\$ 124,636	\$ 11,478	\$ -	\$ -	\$ 46,747	\$ 538,261

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

	Warehouse	Gifted and Talented FY 08/09	Professional Development FY 08/09	Professional Development FY 07/08	Title I Delinquent	Title I School Improvement	Title I
Receipts:							
Local sources	\$ 373,123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	168,161	352,579	-	-	-	-
Federal sources	-	-	-	-	197,551	138,934	10,577,539
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	373,123	168,161	352,579	-	197,551	138,934	10,577,539
Disbursements:							
Current:							
Instruction	43,890	94,780	-	20,664	157,449	211,245	7,745,427
Support services	833,262	-	125,828	212,847	27,783	21,551	2,373,785
Noninstructional services	-	-	-	-	-	-	195,104
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	5,975	4,837	279,641
Interfund loans	-	-	-	-	-	-	-
Total disbursements	877,152	94,780	125,828	233,511	191,207	237,633	10,593,957
Excess (deficiency) of receipts over disbursements	(504,029)	73,381	226,751	(233,511)	6,344	(98,699)	(16,418)
Other financing sources (uses):							
Sale of capital assets	524,356	-	-	-	-	-	-
Transfers in	-	(20,663)	263,860	-	38,289	-	969,833
Transfers out	-	-	-	(243,197)	(38,289)	-	(969,833)
Total other financing sources (uses)	524,356	(20,663)	263,860	(243,197)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	20,327	52,718	490,611	(476,708)	6,344	(98,699)	(16,418)
Cash and investments - beginning	812,434	-	-	476,708	23,545	83,606	99,806
Cash and investments - ending	<u>\$ 832,761</u>	<u>\$ 52,718</u>	<u>\$ 490,611</u>	<u>\$ -</u>	<u>\$ 29,889</u>	<u>\$ (15,093)</u>	<u>\$ 83,388</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 832,761	\$ 52,718	\$ 490,611	\$ -	\$ 29,889	\$ (15,093)	\$ 83,388
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 832,761</u>	<u>\$ 52,718</u>	<u>\$ 490,611</u>	<u>\$ -</u>	<u>\$ 29,889</u>	<u>\$ (15,093)</u>	<u>\$ 83,388</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	832,761	52,718	490,611	-	29,889	(15,093)	83,388
Total cash and investment fund balance - ending	<u>\$ 832,761</u>	<u>\$ 52,718</u>	<u>\$ 490,611</u>	<u>\$ -</u>	<u>\$ 29,889</u>	<u>\$ (15,093)</u>	<u>\$ 83,388</u>

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

	State Grants for Innovative Programs	Education for Homeless Children and Youth	K-2 Special Education	Special Education Basic	Special Education Basic Carryover	Special Education Preschool	Adult Basic Education
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	501,828	42,000	546,450	7,827,781	-	310,032	243,010
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	501,828	42,000	546,450	7,827,781	-	310,032	243,010
Disbursements:							
Current:							
Instruction	-	-	571,127	7,406,565	1,092,080	192,644	124,719
Support services	262,113	30,989	-	-	-	104,869	116,411
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	18,549	-	-	211,770	-	8,869	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	280,662	30,989	571,127	7,618,335	1,092,080	306,382	241,130
Excess (deficiency) of receipts over disbursements	221,166	11,011	(24,677)	209,446	(1,092,080)	3,650	1,880
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	462,936	-	-
Transfers out	-	-	-	(462,936)	-	-	-
Total other financing sources (uses)	-	-	-	(462,936)	462,936	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	221,166	11,011	(24,677)	(253,490)	(629,144)	3,650	1,880
Cash and investments - beginning	(209,467)	34,981	-	(127,376)	-	(46,927)	-
Cash and investments - ending	\$ 11,699	\$ 45,992	\$ (24,677)	\$ (380,866)	\$ (629,144)	\$ (43,277)	\$ 1,880
Cash and Investment Assets - Ending							
Cash and investments	\$ 11,699	\$ 45,992	\$ (24,677)	\$ (380,866)	\$ (629,144)	\$ (43,277)	\$ 1,880
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 11,699	\$ 45,992	\$ (24,677)	\$ (380,866)	\$ (629,144)	\$ (43,277)	\$ 1,880
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	11,699	45,992	(24,677)	(380,866)	(629,144)	(43,277)	1,880
Total cash and investment fund balance - ending	\$ 11,699	\$ 45,992	\$ (24,677)	\$ (380,866)	\$ (629,144)	\$ (43,277)	\$ 1,880

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

	Safe and Drug Free Schools State	Vocational Education	Medicaid Reimbursement Federal	NASA Grant	Smaller Learning Community Old Account	Smaller Learning Communities	School to Work
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	125,582	797,812	160,291	-	321,306	346,166	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	125,582	797,812	160,291	-	321,306	346,166	-
Disbursements:							
Current:							
Instruction	64,078	797,377	207,554	-	65,905	5,448	-
Support services	152,953	33,500	-	2,500	291,570	549,811	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	7,513	-	-	-	11,275	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	224,544	830,877	207,554	2,500	368,750	555,259	-
Excess (deficiency) of receipts over disbursements	(98,962)	(33,065)	(47,263)	(2,500)	(47,444)	(209,093)	-
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	(68,298)	-
Transfers out	-	-	(7,992)	-	68,298	-	(42,615)
Total other financing sources (uses)	-	-	(7,992)	-	68,298	(68,298)	(42,615)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(98,962)	(33,065)	(55,255)	(2,500)	20,854	(277,391)	(42,615)
Cash and investments - beginning	200,113	(121,508)	409,236	2,500	(20,854)	-	42,615
Cash and investments - ending	\$ 101,151	\$ (154,573)	\$ 353,981	\$ -	\$ -	\$ (277,391)	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 101,151	\$ (154,573)	\$ 353,981	\$ -	\$ -	\$ (277,391)	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 101,151	\$ (154,573)	\$ 353,981	\$ -	\$ -	\$ (277,391)	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	101,151	(154,573)	353,981	-	-	(277,391)	-
Total cash and investment fund balance - ending	\$ 101,151	\$ (154,573)	\$ 353,981	\$ -	\$ -	\$ (277,391)	\$ -

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

	Improving Teacher Quality State Grants	Education Technology State Grants	English Language Acquisition Grants and Refugee Child	Reading First	Racial Balance	Debt Service	Pension Debt
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 7,940,579	\$ 11,996,704	\$ 3,939,659
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	1,596,537	(11,305)	388,725	1,009,244	-	-	-
Interfund loans	-	-	-	-	-	-	1,553,333
Other	-	-	-	-	-	-	-
Total receipts	<u>1,596,537</u>	<u>(11,305)</u>	<u>388,725</u>	<u>1,009,244</u>	<u>7,940,579</u>	<u>11,996,704</u>	<u>5,492,992</u>
Disbursements:							
Current:							
Instruction	1,510,402	-	342,460	654,226	6,653,125	-	-
Support services	329,785	20,810	152,323	592,759	769,374	-	-
Noninstructional services	-	-	-	2,807	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	12,382,939	3,889,922
Nonprogrammed charges	24,851	3,177	-	90,617	-	-	-
Interfund loans	-	-	-	-	-	-	1,561,000
Total disbursements	<u>1,865,038</u>	<u>23,987</u>	<u>494,783</u>	<u>1,340,409</u>	<u>7,422,499</u>	<u>12,382,939</u>	<u>5,450,922</u>
Excess (deficiency) of receipts over disbursements	<u>(268,501)</u>	<u>(35,292)</u>	<u>(106,058)</u>	<u>(331,165)</u>	<u>518,080</u>	<u>(386,235)</u>	<u>42,070</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	166	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(771,000)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(770,834)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(268,501)</u>	<u>(35,292)</u>	<u>(106,058)</u>	<u>(331,165)</u>	<u>(252,754)</u>	<u>(386,235)</u>	<u>42,070</u>
Cash and investments - beginning	<u>321,978</u>	<u>35,292</u>	<u>147,446</u>	<u>438,771</u>	<u>602,791</u>	<u>1,193,198</u>	<u>281</u>
Cash and investments - ending	<u>\$ 53,477</u>	<u>\$ -</u>	<u>\$ 41,388</u>	<u>\$ 107,606</u>	<u>\$ 350,037</u>	<u>\$ 806,963</u>	<u>\$ 42,351</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 53,477	\$ -	\$ 41,388	\$ 107,606	\$ -	\$ -	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	350,037	806,963	42,351
Total cash and investment assets - ending	<u>\$ 53,477</u>	<u>\$ -</u>	<u>\$ 41,388</u>	<u>\$ 107,606</u>	<u>\$ 350,037</u>	<u>\$ 806,963</u>	<u>\$ 42,351</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 350,037	\$ 806,963	\$ 42,351
Unrestricted	53,477	-	41,388	107,606	-	-	-
Total cash and investment fund balance - ending	<u>\$ 53,477</u>	<u>\$ -</u>	<u>\$ 41,388</u>	<u>\$ 107,606</u>	<u>\$ 350,037</u>	<u>\$ 806,963</u>	<u>\$ 42,351</u>

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

	Capital Projects	School Bus Replacement	North Side Project	Food Service Center Project	Career Center Building	Food Service Equipment	Totals
Receipts:							
Local sources	\$ 23,750,219	\$ 2,058,988	\$ -	\$ -	\$ 250	\$ 62,898	\$ 75,051,722
Intermediate sources	-	-	-	-	-	-	4,623
State sources	-	-	-	-	-	-	5,173,923
Federal sources	-	-	-	-	-	-	25,119,483
Interfund loans	-	2,000,000	-	-	-	-	3,753,333
Other	4,677	-	-	-	-	-	11,053
Total receipts	23,754,896	4,058,988	-	-	250	62,898	109,114,137
Disbursements:							
Current:							
Instruction	-	-	-	-	-	-	36,290,434
Support services	9,032,612	2,722,541	-	-	-	-	40,242,696
Noninstructional services	-	-	-	-	-	339,894	537,805
Facilities acquisition and construction	16,050,166	-	574,353	-	273,641	-	16,898,160
Debt services	-	-	-	-	-	-	16,272,861
Nonprogrammed charges	-	-	-	-	-	-	1,030,684
Interfund loans	-	1,320,000	-	-	-	-	3,543,000
Total disbursements	25,082,778	4,042,541	574,353	-	273,641	339,894	114,815,640
Excess (deficiency) of receipts over disbursements	(1,327,882)	16,447	(574,353)	-	(273,391)	(276,996)	(5,701,503)
Other financing sources (uses):							
Sale of capital assets	106,923	-	-	-	-	-	992,000
Transfers in	1,500,000	-	-	-	174,189	398,204	5,000,985
Transfers out	-	-	(1,500,000)	-	-	-	(4,678,984)
Total other financing sources (uses)	1,606,923	-	(1,500,000)	-	174,189	398,204	1,314,001
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	279,041	16,447	(2,074,353)	-	(99,202)	121,208	(4,387,502)
Cash and investments - beginning	1,693,504	6,328	2,152,742	19,670	242,984	1,299,056	12,687,152
Cash and investments - ending	\$ 1,972,545	\$ 22,775	\$ 78,389	\$ 19,670	\$ 143,782	\$ 1,420,264	\$ 8,299,650
Cash and Investment Assets - Ending							
Cash and investments	\$ 1,972,545	\$ 22,775	\$ 78,389	\$ 19,670	\$ 143,782	\$ 1,420,264	\$ 7,100,299
Restricted assets:							
Cash and investments	-	-	-	-	-	-	1,199,351
Total cash and investment assets - ending	\$ 1,972,545	\$ 22,775	\$ 78,389	\$ 19,670	\$ 143,782	\$ 1,420,264	\$ 8,299,650
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,199,351
Unrestricted	1,972,545	22,775	78,389	19,670	143,782	1,420,264	7,100,299
Total cash and investment fund balance - ending	\$ 1,972,545	\$ 22,775	\$ 78,389	\$ 19,670	\$ 143,782	\$ 1,420,264	\$ 8,299,650

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

	Transportation Operating	Preschool	Regional Vocational	Museum of Art	Educational License Plate	Alternative Education	Early Intervention
Receipts:							
Local sources	\$ 16,110,863	\$ 180,298	\$ 4,735,540	\$ 187,617	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	7,226	-	-
State sources	-	1,074,644	-	-	-	147,177	66,800
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	200,000	-	-	-	-	-
Other	10,592	-	-	-	-	-	-
Total receipts	16,121,455	1,454,942	4,735,540	187,617	7,226	147,177	66,800
Disbursements:							
Current:							
Instruction	-	1,165,733	3,910,361	-	2,882	174,526	16,334
Support services	16,549,954	87,839	707,280	-	-	-	49,500
Noninstructional services	-	-	-	211,191	-	-	966
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	122,201	-	-	-	-
Interfund loans	-	200,000	-	-	-	-	-
Total disbursements	16,549,954	1,453,572	4,739,842	211,191	2,882	174,526	66,800
Excess (deficiency) of receipts over disbursements	(428,499)	1,370	(4,302)	(23,574)	4,344	(27,349)	-
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	142,537	-	142,071	-	-	-	-
Transfers in	-	-	-	-	-	48,568	-
Transfers out	-	-	(159,469)	-	-	-	-
Total other financing sources (uses)	142,537	-	(17,398)	-	-	48,568	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(285,962)	1,370	(21,700)	(23,574)	4,344	21,219	-
Cash and investments - beginning	684,245	150	567,842	23,574	64,122	288,981	-
Cash and investments - ending	\$ 398,283	\$ 1,520	\$ 546,142	\$ -	\$ 68,466	\$ 310,200	\$ -
Cash and Investment Assets - Ending							
Cash and investments	\$ 398,283	\$ 1,520	\$ 546,142	\$ -	\$ 68,466	\$ 310,200	\$ -
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 398,283	\$ 1,520	\$ 546,142	\$ -	\$ 68,466	\$ 310,200	\$ -
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	398,283	1,520	546,142	-	68,466	310,200	-
Total cash and investment fund balance - ending	\$ 398,283	\$ 1,520	\$ 546,142	\$ -	\$ 68,466	\$ 310,200	\$ -

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

	Ready Schools	Donations	Access Channel	Wallace Readers	Education Improvement	Knight Foundation	League (Knight Grant)
Receipts:							
Local sources	\$ -	\$ 617,055	\$ 198,532	\$ 758,138	\$ -	\$ -	\$ 15,000
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	9,181	-	-	-	-	-
Total receipts	-	626,236	198,532	758,138	-	-	15,000
Disbursements:							
Current:							
Instruction	-	333,003	-	-	742,500	-	2,663
Support services	903	244,591	179,705	816,394	-	116,362	-
Noninstructional services	18,543	25	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	554	-	-	15,071	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	20,000	577,619	179,705	831,465	742,500	116,362	2,663
Excess (deficiency) of receipts over disbursements	(20,000)	48,617	18,827	(73,327)	(742,500)	(116,362)	12,337
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	504,977	742,500	-	-
Transfers out	-	-	-	(504,977)	-	-	-
Total other financing sources (uses)	-	-	-	-	742,500	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(20,000)	48,617	18,827	(73,327)	-	(116,362)	12,337
Cash and investments - beginning	20,000	340,336	36,945	557,123	-	116,362	-
Cash and investments - ending	\$ -	\$ 388,953	\$ 55,772	\$ 483,796	\$ -	\$ -	\$ 12,337
Cash and Investment Assets - Ending							
Cash and investments	\$ -	\$ 388,953	\$ 55,772	\$ 483,796	\$ -	\$ -	\$ 12,337
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ -	\$ 388,953	\$ 55,772	\$ 483,796	\$ -	\$ -	\$ 12,337
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	388,953	55,772	483,796	-	-	12,337
Total cash and investment fund balance - ending	\$ -	\$ 388,953	\$ 55,772	\$ 483,796	\$ -	\$ -	\$ 12,337

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

	Foellinger Grant	Foellinger Parent Enrichment	Scholarships	Unemployment	Driver Education	Common School	(STAA) School Technology Advancement FY 08/09
Receipts:							
Local sources	\$ 111,057	\$ 22,150	\$ 31,842	\$ -	\$ 100,242	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	2,529,117	995,442
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	<u>111,057</u>	<u>22,150</u>	<u>31,842</u>	<u>-</u>	<u>100,242</u>	<u>2,529,117</u>	<u>995,442</u>
Disbursements:							
Current:							
Instruction	60,459	-	-	-	141,844	-	-
Support services	36,943	49,310	-	-	5,202	1,509,804	984,069
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	28,507	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	<u>97,402</u>	<u>49,310</u>	<u>28,507</u>	<u>-</u>	<u>147,046</u>	<u>1,509,804</u>	<u>984,069</u>
Excess (deficiency) of receipts over disbursements	<u>13,655</u>	<u>(27,160)</u>	<u>3,335</u>	<u>-</u>	<u>(46,804)</u>	<u>1,019,313</u>	<u>11,373</u>
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	56,708	-	-	-
Transfers out	-	-	-	(56,708)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>13,655</u>	<u>(27,160)</u>	<u>3,335</u>	<u>-</u>	<u>(46,804)</u>	<u>1,019,313</u>	<u>11,373</u>
Cash and investments - beginning	<u>85,950</u>	<u>27,160</u>	<u>143,951</u>	<u>180,000</u>	<u>119,143</u>	<u>(1,020,517)</u>	<u>(195,135)</u>
Cash and investments - ending	<u>\$ 99,605</u>	<u>\$ -</u>	<u>\$ 147,286</u>	<u>\$ 180,000</u>	<u>\$ 72,339</u>	<u>\$ (1,204)</u>	<u>\$ (183,762)</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 99,605	\$ -	\$ 147,286	\$ 180,000	\$ 72,339	\$ (1,204)	\$ (183,762)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 99,605</u>	<u>\$ -</u>	<u>\$ 147,286</u>	<u>\$ 180,000</u>	<u>\$ 72,339</u>	<u>\$ (1,204)</u>	<u>\$ (183,762)</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	99,605	-	147,286	180,000	72,339	(1,204)	(183,762)
Total cash and investment fund balance - ending	<u>\$ 99,605</u>	<u>\$ -</u>	<u>\$ 147,286</u>	<u>\$ 180,000</u>	<u>\$ 72,339</u>	<u>\$ (1,204)</u>	<u>\$ (183,762)</u>

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

	Continuing Education	Neighborhood Connection FY 08/09	Medicaid Reimbursement State	Non-English Speaking Program	School Technology	Warehouse	Gifted and Talented FY 08/09
Receipts:							
Local sources	\$ 172,379	\$ 158,856	\$ -	\$ -	\$ 1,056,333	\$ 40,775	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	868,422	-	169,204	291,417	-	-	168,161
Federal sources	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	1,040,801	158,856	169,204	291,417	1,056,333	40,775	168,161
Disbursements:							
Current:							
Instruction	984,171	190,427	-	248,788	-	-	188,083
Support services	344	-	-	14,437	489,963	159,058	-
Noninstructional services	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-
Total disbursements	984,515	190,427	-	263,225	489,963	159,058	188,083
Excess (deficiency) of receipts over disbursements	56,286	(31,571)	169,204	28,192	566,370	(118,283)	(19,922)
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	20,765	-	-	-	-	941	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(127,796)	-	-	-	-
Total other financing sources (uses)	20,765	-	(127,796)	-	-	941	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	77,051	(31,571)	41,408	28,192	566,370	(117,342)	(19,922)
Cash and investments - beginning	124,636	11,478	-	46,747	538,261	832,761	52,718
Cash and investments - ending	\$ 201,687	\$ (20,093)	\$ 41,408	\$ 74,939	\$ 1,104,631	\$ 715,419	\$ 32,796
Cash and Investment Assets - Ending							
Cash and investments	\$ 201,687	\$ (20,093)	\$ 41,408	\$ 74,939	\$ 1,104,631	\$ 715,419	\$ 32,796
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 201,687	\$ (20,093)	\$ 41,408	\$ 74,939	\$ 1,104,631	\$ 715,419	\$ 32,796
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	201,687	(20,093)	41,408	74,939	1,104,631	715,419	32,796
Total cash and investment fund balance - ending	\$ 201,687	\$ (20,093)	\$ 41,408	\$ 74,939	\$ 1,104,631	\$ 715,419	\$ 32,796

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

	Professional Development FY 08/09	Arts in Education	Title I Delinquent	Title I School Improvement FY 08/09	Title I School Improvement Section 1003-g	Title I	State Grants for Innovative Programs
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	367,484	5,802	-	-	-	-	-
Federal sources	-	-	538,688	529,925	193,886	11,514,422	67,087
Interfund loans	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total receipts	367,484	5,802	538,688	529,925	193,886	11,514,422	67,087
Disbursements:							
Current:							
Instruction	-	5,802	378,654	198	45,679	8,709,586	-
Support services	345,261	-	172,461	161,694	86,187	3,952,912	56,580
Noninstructional services	-	-	-	-	4,017	177,292	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	5,824	-	4,164	277,404	4,656
Interfund loans	-	-	-	-	-	-	-
Total disbursements	345,261	5,802	556,939	161,892	140,047	13,117,194	61,236
Excess (deficiency) of receipts over disbursements	22,223	-	(18,251)	368,033	53,839	(1,602,772)	5,851
Other financing sources (uses):							
Proceeds of long-term debt	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	15,095	-	-	2,291,363	-
Transfers out	-	-	(15,095)	-	-	(2,291,363)	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	22,223	-	(18,251)	368,033	53,839	(1,602,772)	5,851
Cash and investments - beginning	490,611	-	29,889	-	(15,093)	83,388	11,699
Cash and investments - ending	<u>\$ 512,834</u>	<u>\$ -</u>	<u>\$ 11,638</u>	<u>\$ 368,033</u>	<u>\$ 38,746</u>	<u>\$ (1,519,384)</u>	<u>\$ 17,550</u>
Cash and Investment Assets - Ending							
Cash and investments	\$ 512,834	\$ -	\$ 11,638	\$ 368,033	\$ 38,746	\$ (1,519,384)	\$ 17,550
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ 512,834</u>	<u>\$ -</u>	<u>\$ 11,638</u>	<u>\$ 368,033</u>	<u>\$ 38,746</u>	<u>\$ (1,519,384)</u>	<u>\$ 17,550</u>
Cash and Investment Fund Balance - Ending							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	512,834	-	11,638	368,033	38,746	(1,519,384)	17,550
Total cash and investment fund balance - ending	<u>\$ 512,834</u>	<u>\$ -</u>	<u>\$ 11,638</u>	<u>\$ 368,033</u>	<u>\$ 38,746</u>	<u>\$ (1,519,384)</u>	<u>\$ 17,550</u>

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

	Education for Homeless Children and Youth	K-2 Special Education	Special Education Basic	Special Education Summer School	Special Education Basic Carryover	Special Education Preschool Carryover
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	30,000	546,450	8,082,063	100,000	-	-
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	30,000	546,450	8,082,063	100,000	-	-
Disbursements:						
Current:						
Instruction	-	521,773	6,040,387	100,000	(546,154)	551
Support services	10,330	-	1,728,471	-	35,531	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	-	-	404,527	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	10,330	521,773	8,173,385	100,000	(510,623)	551
Excess (deficiency) of receipts over disbursements	19,670	24,677	(91,322)	-	510,623	(551)
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	118,521	551
Transfers out	-	-	(118,521)	-	-	-
Total other financing sources (uses)	-	-	(118,521)	-	118,521	551
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	19,670	24,677	(209,843)	-	629,144	-
Cash and investments - beginning	45,992	(24,677)	(380,866)	-	(629,144)	-
Cash and investments - ending	\$ 65,662	\$ -	\$ (590,709)	\$ -	\$ -	\$ -
Cash and Investment Assets - Ending						
Cash and investments	\$ 65,662	\$ -	\$ (590,709)	\$ -	\$ -	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	\$ 65,662	\$ -	\$ (590,709)	\$ -	\$ -	\$ -
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	65,662	-	(590,709)	-	-	-
Total cash and investment fund balance - ending	\$ 65,662	\$ -	\$ (590,709)	\$ -	\$ -	\$ -

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

	Special Education Preschool	Adult Basic Education	Safe and Drug Free Schools State	Vocational Education	Project Lead the Way	Medicaid Reimbursement Federal
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	262,726	278,166	202,730	932,898	12,089	335,074
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	262,726	278,166	202,730	932,898	12,089	335,074
Disbursements:						
Current:						
Instruction	191,174	174,676	189,496	606,415	5,347	223,104
Support services	95,676	98,738	7,812	132,007	9,747	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	7,727	-	7,255	-	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	294,577	273,414	204,563	738,422	15,094	223,104
Excess (deficiency) of receipts over disbursements	(31,851)	4,752	(1,833)	194,476	(3,005)	111,970
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	21,531
Transfers out	(551)	-	-	-	-	(6,747)
Total other financing sources (uses)	(551)	-	-	-	-	14,784
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(32,402)	4,752	(1,833)	194,476	(3,005)	126,754
Cash and investments - beginning	(43,277)	1,880	101,151	(154,573)	-	353,981
Cash and investments - ending	<u>\$ (75,679)</u>	<u>\$ 6,632</u>	<u>\$ 99,318</u>	<u>\$ 39,903</u>	<u>\$ (3,005)</u>	<u>\$ 480,735</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (75,679)	\$ 6,632	\$ 99,318	\$ 39,903	\$ (3,005)	\$ 480,735
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (75,679)</u>	<u>\$ 6,632</u>	<u>\$ 99,318</u>	<u>\$ 39,903</u>	<u>\$ (3,005)</u>	<u>\$ 480,735</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(75,679)	6,632	99,318	39,903	(3,005)	480,735
Total cash and investment fund balance - ending	<u>\$ (75,679)</u>	<u>\$ 6,632</u>	<u>\$ 99,318</u>	<u>\$ 39,903</u>	<u>\$ (3,005)</u>	<u>\$ 480,735</u>

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

	Smaller Learning Communities	Improving Teacher Quality State Grants	English Language Acquisition Grants and Refugee Child	Reading First	Economic Stimulus Grant Fiscal Stability	Economic Stimulus Grant Special Education
Receipts:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	1,333,354	1,641,762	275,600	894,174	16,271,316	770,055
Interfund loans	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total receipts	1,333,354	1,641,762	275,600	894,174	16,271,316	770,055
Disbursements:						
Current:						
Instruction	39,023	1,054,898	295,908	230,793	15,489,272	-
Support services	1,144,236	453,369	-	805,282	782,044	-
Noninstructional services	-	-	-	168	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
Nonprogrammed charges	24,860	22,685	-	78,728	-	-
Interfund loans	-	-	-	-	-	-
Total disbursements	1,208,119	1,530,952	295,908	1,114,971	16,271,316	-
Excess (deficiency) of receipts over disbursements	125,235	110,810	(20,308)	(220,797)	-	770,055
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	125,235	110,810	(20,308)	(220,797)	-	770,055
Cash and investments - beginning	(277,391)	53,477	41,388	107,606	-	-
Cash and investments - ending	<u>\$ (152,156)</u>	<u>\$ 164,287</u>	<u>\$ 21,080</u>	<u>\$ (113,191)</u>	<u>\$ -</u>	<u>\$ 770,055</u>
Cash and Investment Assets - Ending						
Cash and investments	\$ (152,156)	\$ 164,287	\$ 21,080	\$ (113,191)	\$ -	\$ 770,055
Restricted assets:						
Cash and investments	-	-	-	-	-	-
Total cash and investment assets - ending	<u>\$ (152,156)</u>	<u>\$ 164,287</u>	<u>\$ 21,080</u>	<u>\$ (113,191)</u>	<u>\$ -</u>	<u>\$ 770,055</u>
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(152,156)	164,287	21,080	(113,191)	-	770,055
Total cash and investment fund balance - ending	<u>\$ (152,156)</u>	<u>\$ 164,287</u>	<u>\$ 21,080</u>	<u>\$ (113,191)</u>	<u>\$ -</u>	<u>\$ 770,055</u>

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

	Racial Balance	Debt Service	Pension Debt	Capital Projects	School Bus Replacement	North Side Project
Receipts:						
Local sources	\$ 7,463,288	\$ 11,934,982	\$ 3,674,505	\$ 21,926,069	\$ 2,091,317	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Interfund loans	380,000	-	1,766,427	1,400,000	860,000	-
Other	-	-	-	3,410	-	-
Total receipts	7,843,288	11,934,982	5,440,932	23,329,479	2,951,317	-
Disbursements:						
Current:						
Instruction	6,629,883	-	-	-	-	-
Support services	816,410	-	-	10,056,953	972,925	-
Noninstructional services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	15,250,934	-	65,834
Debt services	-	12,251,099	3,890,242	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Interfund loans	-	-	1,589,760	-	2,000,000	-
Total disbursements	7,446,293	12,251,099	5,480,002	25,307,887	2,972,925	65,834
Excess (deficiency) of receipts over disbursements	396,995	(316,117)	(39,070)	(1,978,408)	(21,608)	(65,834)
Other financing sources (uses):						
Proceeds of long-term debt	-	-	-	-	-	-
Sale of capital assets	-	-	-	8,586	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(742,500)	-	-	-	-	-
Total other financing sources (uses)	(742,500)	-	-	8,586	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(345,505)	(316,117)	(39,070)	(1,969,822)	(21,608)	(65,834)
Cash and investments - beginning	350,037	806,963	42,351	1,972,545	22,775	78,389
Cash and investments - ending	\$ 4,532	\$ 490,846	\$ 3,281	\$ 2,723	\$ 1,167	\$ 12,555
Cash and Investment Assets - Ending						
Cash and investments	\$ -	\$ -	\$ -	\$ 2,723	\$ 1,167	\$ 12,555
Restricted assets:						
Cash and investments	4,532	490,846	3,281	-	-	-
Total cash and investment assets - ending	\$ 4,532	\$ 490,846	\$ 3,281	\$ 2,723	\$ 1,167	\$ 12,555
Cash and Investment Fund Balance - Ending						
Restricted for:						
Debt service	\$ 4,532	\$ 490,846	\$ 3,281	\$ -	\$ -	\$ -
Unrestricted	-	-	-	2,723	1,167	12,555
Total cash and investment fund balance - ending	\$ 4,532	\$ 490,846	\$ 3,281	\$ 2,723	\$ 1,167	\$ 12,555

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

	Food Service Center Project	Wayne New Technology	Career Center Building	Food Service Equipment	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ 50	\$ 13,347	\$ 71,600,235
Intermediate sources	-	-	-	-	7,226
State sources	-	-	-	-	6,683,670
Federal sources	-	-	-	-	44,812,465
Interfund loans	-	-	-	-	4,606,427
Other	-	-	-	-	23,183
Total receipts	-	-	50	13,347	127,733,206
Disbursements:					
Current:					
Instruction	-	-	-	-	48,548,239
Support services	-	-	-	-	43,926,284
Noninstructional services	-	-	-	341,035	753,237
Facilities acquisition and construction	-	330,457	270,441	-	15,917,666
Debt services	-	29,852	-	-	16,171,193
Nonprogrammed charges	-	-	-	-	1,004,163
Interfund loans	-	-	-	-	3,789,760
Total disbursements	-	360,309	270,441	341,035	130,110,542
Excess (deficiency) of receipts over disbursements	-	(360,309)	(270,391)	(327,688)	(2,377,336)
Other financing sources (uses):					
Proceeds of long-term debt	-	1,982,688	-	-	1,982,688
Sale of capital assets	-	-	-	-	314,900
Transfers in	-	-	159,469	358,760	4,318,043
Transfers out	-	-	-	-	(4,023,727)
Total other financing sources (uses)	-	1,982,688	159,469	358,760	2,591,904
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	1,622,379	(110,922)	31,072	214,568
Cash and investments - beginning	19,670	-	143,782	1,420,264	8,299,650
Cash and investments - ending	<u>\$ 19,670</u>	<u>\$ 1,622,379</u>	<u>\$ 32,860</u>	<u>\$ 1,451,336</u>	<u>\$ 8,514,218</u>
Cash and Investment Assets - Ending					
Cash and investments	\$ 19,670	\$ 1,622,379	\$ 32,860	\$ 1,451,336	\$ 8,015,559
Restricted assets:					
Cash and investments	-	-	-	-	498,659
Total cash and investment assets - ending	<u>\$ 19,670</u>	<u>\$ 1,622,379</u>	<u>\$ 32,860</u>	<u>\$ 1,451,336</u>	<u>\$ 8,514,218</u>
Cash and Investment Fund Balance - Ending					
Restricted for:					
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 498,659
Unrestricted	19,670	1,622,379	32,860	1,451,336	8,015,559
Total cash and investment fund balance - ending	<u>\$ 19,670</u>	<u>\$ 1,622,379</u>	<u>\$ 32,860</u>	<u>\$ 1,451,336</u>	<u>\$ 8,514,218</u>

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUND
 For the Year Ended June 30, 2008

	Payroll Fund
Additions:	
Agency fund additions	\$ 204,920,933
Deductions:	
Agency fund deductions	208,712,618
Deficiency of total additions over total deductions	(3,791,685)
Cash and investment fund balance - beginning	17,874,150
Cash and investment fund balance - ending	\$ 14,082,465

FORT WAYNE COMMUNITY SCHOOLS
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 AGENCY FUND
 For the Year Ended June 30, 2009

	Payroll Fund
Additions:	
Agency fund additions	\$ 214,579,650
Deductions:	
Agency fund deductions	222,385,534
Deficiency of total additions over total deductions	(7,805,884)
Cash and investment fund balance - beginning	14,082,465
Cash and investment fund balance - ending	\$ 6,276,581

FORT WAYNE COMMUNITY SCHOOLS
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Fiscal Year Ended June 30, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 8,983,544
Buildings	263,610,042
Improvements other than buildings	22,358,306
Machinery and equipment	28,730,085
Construction in progress	<u>621,384</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 324,303,361</u></u>

FORT WAYNE COMMUNITY SCHOOLS
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Fort Wayne South Side School Building Corporation	\$ 10,650,000	\$ 3,762,950
FWCS Food Service Center Building Corporation	9,095,000	1,282,763
North Side High School Building Corporation	42,875,000	3,737,500
Guaranteed Energy Savings Project III	121,804	125,184
Guaranteed Energy Savings Project IV	582,474	251,402
2006 Apple Computer Lease	21,366	21,367
2008 Apple Computer Lease	101,158	106,165
2008 HP Computer Lease	164,336	75,540
Notes and loans payable	5,587,581	3,170,055
Bonds payable:		
General obligation bonds:		
FWCS Pension Bonds of 2004	33,570,000	3,885,605
FWCS General Obligation Bonds of 2009	1,990,000	-
Total governmental activities debt	<u>\$ 104,758,719</u>	<u>\$ 16,418,531</u>

FORT WAYNE COMMUNITY SCHOOLS
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The cash balances of the following funds were overdrawn at June 30, 2008 and June 30, 2009: Common School, (STAA) School Technology Advancement FY 08/09, Special Education Basic, Special Education Preschool, and Smaller Learning Communities. The cash balances of the following funds were overdrawn at June 30, 2008: Title I School Improvement, K-2 Special Education, Special Education Basic Carryover, and Vocational Education. The cash balances of the following funds were overdrawn at June 30, 2009: Neighborhood Connection FY 08/09, Title I, Project Lead the Way, and Reading First.

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)

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, 2008 and 2009. The School Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Corporation's management. Our responsibility is to express an opinion on the School Corporation's compliance based on our audit.

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

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

Internal Control Over Compliance

The management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control over compliance.

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

A control deficiency in a School Corporation's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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

STATE BOARD OF ACCOUNTS

February 11, 2010

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

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-08	Total Federal Awards Expended 06-30-09
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553		\$ 1,943,722	\$ 2,197,398
National School Lunch Program	10.555		7,658,792	8,442,676
Child and Adult Care Food Program	10.558		15,661	17,573
Summer Food Service Program for Children	10.559		283,884	269,449
Fresh Fruit and Vegetable Program	10.582		<u>22,015</u>	<u>62,057</u>
Total for federal grantor agency			<u>9,924,074</u>	<u>10,989,153</u>
<u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
Direct Grant				
NASA Explorer Schools Technology Grant	43.000	NNG05GH24G	<u>2,500</u>	<u>-</u>
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
Direct Grant				
Clean School Bus USA	66.036	SB00E15601	<u>42,436</u>	<u>-</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Pass-Through Indiana Department of Education				
Title I, Part A Cluster				
Title I Grants to Local Educational Agencies	84.010			
Part A, Compensatory Education		07-0235	2,036,806	-
Part A, Compensatory Education		08-0235	9,526,985	3,504,488
Part A, Compensatory Education		09-0235	-	11,904,069
Part D, Delinquent		07-0235	23,545	-
Part D, Delinquent		08-0235	205,952	29,889
Part D, Delinquent		09-0235	-	542,146
School Improvement		07-0235	83,605	-
School Improvement		08-0235	154,027	61,407
School Improvement		09-0235	-	75,914
School Improvement		10-0235	<u>-</u>	<u>2,726</u>
Total for cluster			<u>12,030,920</u>	<u>16,120,639</u>
Special Education Cluster				
Special Education - Grants to States	84.027			
Targeted		142-07-007-DY05	546,450	-
Targeted		142-08-027-DY06	-	546,450
Part B, IDEA		142-07-018-PN01	760,415	-
Part B, IDEA		142-08-018-PN01	7,320,855	482,923
Part B, IDEA		142-08-018-PN01	-	7,808,984
Summer School		142-07-050-DY01	-	100,000
Part B, IDEA Carryover		142-07-018-PY02	462,937	-
Part B, IDEA Carryover		142-08-018-PY02	<u>-</u>	<u>118,521</u>
Total for program			<u>9,090,657</u>	<u>9,056,878</u>
Special Education - Preschool Grants	84.173			
Preschool		457-08-018-PN01	283,984	-
Preschool		457-09-018-PN01	-	317,524
Preschool Carryover		457-08-018-PY02	<u>-</u>	<u>551</u>
Total for program			<u>283,984</u>	<u>318,075</u>
Total for cluster			<u>9,374,641</u>	<u>9,374,953</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, 2008 and 2009
(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 06-30-08	Total Federal Awards Expended 06-30-09
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
State Fiscal Stabilization Fund Cluster				
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394		-	16,271,316
Adult Education - Basic Grants to States	84.002			
Adult Basic Education		FY 08-8011	241,130	24,312
Adult Basic Education		FY 09-8011	-	249,103
Total for program			<u>241,130</u>	<u>273,415</u>
Career and Technical Education - Basic Grants to States	84.048			
Perkins		07-4700-0235	80,018	-
Perkins		08-4700-0235	750,859	44,192
Perkins		09-4700-0235	-	694,230
Total for program			<u>830,877</u>	<u>738,422</u>
Safe and Drug Free Schools and Communities - State Grants	84.186			
		05-119	125,673	-
		06-0235	98,871	101,151
		07-0235	-	103,413
Total for program			<u>224,544</u>	<u>204,564</u>
Education for Homeless Children and Youth	84.196			
		FY07	4,980	-
		FY08	26,008	3,992
		FY09	-	6,339
Total for program			<u>30,988</u>	<u>10,331</u>
Fund for the Improvement of Education	84.215			
		S215L060248	178,530	-
		S215L060248	745,479	196,718
		S215L060248	-	1,011,401
Total for program			<u>924,009</u>	<u>1,208,119</u>
Pass-Through Indiana Department of Workforce Development				
Tech-Prep Education	84.243			
Project Lead the Way		C1-9-PLTW-8-56	-	15,093
Pass-Through Indiana Department of Education				
Innovative Education Program Strategies	84.298			
Title V, Part A		05-171	225,872	-
		06-0235	54,789	11,700
		07-0235	-	49,536
Total for program			<u>280,661</u>	<u>61,236</u>
Pass-Through Indiana Department of Education				
Education Technology State Grants	84.318			
Title II, Part D		06-0235	23,987	-

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, 2008 and 2009
(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 06-30-08	Total Federal Awards Expended 06-30-09
<u>U.S. DEPARTMENT OF EDUCATION (continued)</u>				
Pass-Through Indiana Department of Education (continued)				
Reading First State Grants	84.357			
		06-0235	556,857	-
		07-0235	783,553	569,825
		08-0235	-	545,146
Total for program			<u>1,340,410</u>	<u>1,114,971</u>
English Language Acquisition Grants	84.365			
Title III		2006-07	140,477	-
Title III		2007-08	341,343	10,504
Title III		2008-09	-	244,173
Total for program			<u>481,820</u>	<u>254,677</u>
Improving Teacher Quality State Grants	84.367			
Title II, Part A		05-137	151,178	-
Title II, Part A		06-0235	1,713,860	230,477
Title II, Part A		07-0235	-	1,300,475
Schools Taking Action With Results (STAR)		2007-08	-	2,500
Total for program			<u>1,865,038</u>	<u>1,533,452</u>
School Improvement Grants	84.377			
		2008-09	-	161,892
Total for federal grantor agency			<u>27,649,025</u>	<u>47,343,080</u>
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-Through Indiana Department of Health				
Refugee and Entrant Assistance - Discretionary Grants	93.576			
School Impact		FY07	11,846	-
School Impact		FY08	1,117	30,883
School Impact		FY09	-	10,347
Total for federal grantor agency			<u>12,963</u>	<u>41,230</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Pass-Through Indiana Department of Homeland Security				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Emergency 3274	97.036		27,974	-
Total federal awards expended			<u>\$ 37,658,972</u>	<u>\$ 58,373,463</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

I. 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 requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

II. Noncash Assistance

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

Program Title	Federal CFDA Number	2008	2009
School Breakfast Program	10.553	\$ 161,681	\$ 122,184
National School Lunch Program	10.555	556,690	683,401

FORT WAYNE COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unqualified

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

Noncompliance material to financial statements noted? no

Federal Awards:

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

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

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

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
84.367	Title I, Part A Cluster Special Education Cluster State Fiscal Stabilization Fund Cluster Improving Teacher Quality State Grants

Dollar threshold used to distinguish between Type A and Type B programs: \$2,880,973

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

FORT WAYNE COMMUNITY SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDING

FINDING 2007-1, CASH MANAGEMENT

Corrective action was taken.

FORT WAYNE COMMUNITY SCHOOLS
EXIT CONFERENCE

The contents of this report were discussed on February 11, 2010, with Kathy Friend, Chief Financial Officer; Stefan Pittenger, Director of Fiscal Affairs; Sherry Nidlinger, Treasurer; Marcie Degitz, Accounting Supervisor; Katina Ehrman, Payroll Supervisor; and Bonnie Fairfield, Internal Auditor. The official response has been made a part of this report and may be found on page 73.



WE ARE YOUR SCHOOLS

FORT WAYNE COMMUNITY SCHOOLS

February 26, 2010

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:

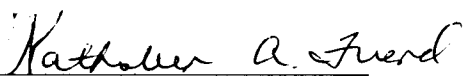
Fort Wayne Community Schools responds to the comments contained in the 2007-2009 State Board of Accounts Audit Results and Comments as follows:


Corporation Comments

There were several overdrawn fund balances at June 30, 2008 and June 30, 2009 as shown in the notes to the financial statements. All but one of these funds was either a grant or loan fund in which reimbursement soon followed. Although this has been common in the past, this is the first time that the finding has been reported as an audit result and comment. The other overdrawn fund is the Neighborhood Connection Fund. That fund was overdrawn by \$20,093. The revenue for this fund is insufficient for the current budget. A plan is in place to reduce expenditures so that this fund becomes solvent.

Fort Wayne Community Schools makes short-term interfund loans, as of June 30 and December 31, to those funds that experience large shortfalls as a result of the tax revenue cycle. For grant funds and state loan funds where reimbursement is eminent, such transfers have not been made. At no time have funds been expended without knowledge that a corresponding receipt was forthcoming or in the case of Neighborhood Connection a corrective plan is in place.

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