

**UNIFIED SCHOOL DISTRICT NO. 109**  
**Belleville, Kansas**

**REPORT ON AUDIT**  
**SPECIAL FINANCIAL STATEMENTS**  
**June 30, 2011**

**W. REX WOODS**  
**Certified Public Accountant**  
**Belleville, Kansas**

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

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**UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas**

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**W. Rex Woods**  
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Independent Auditor's Report

Board of Education  
Republic County Unified School District No. 109  
Belleville, Kansas 66935

We have audited the accompanying financial statements of Republic County Unified School District No. 109, Belleville, Kansas, as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the District'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, the guidance in the *Kansas Municipal Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Controller General of the United States. Those standards and guidance 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 the 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 described more fully in Note 1, the District has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, is presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Republic County Unified School District No. 109, Belleville, Kansas, as of June 30, 2011, the changes in its financial position, or where applicable, its cash flows for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of Republic County Unified School District No. 109, Belleville, Kansas, as of June 30, 2011, and its cash receipts and expenditures, and budget to actual comparisons for the year then ended, taken as a whole, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2011, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements of Republic County Unified School District No. 109, Belleville, Kansas, taken as a whole. The information identified in the table of contents as supplementary information, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements of Republic County Unified School District No. 109, Belleville, Kansas. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

*W. Rex Woods CPA*

W. Rex Woods, C.P.A.

September 16, 2011

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**SUMMARY OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH**

For The Year Ended June 30, 2011

STATEMENT 1

Fund	Statement Number	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances/Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds</b>								
General Fund	3-1	0	0	3,799,992	3,799,991	1	6,043	6,044
Supplemental General Fund	3-2	56,039	0	1,215,142	1,220,000	51,181	59,530	110,712
<b>Special Revenue</b>								
At Risk K-12 Fund	3-3	170,000	0	283,789	283,789	180,000	0	180,000
Capital Outlay Fund	3-4	520,714	0	258,744	63,216	716,242	2,500	718,741
Driver Training Fund	3-5	14,470	0	5,946	5,509	14,907	0	14,907
Food Service Fund	3-6	84,621	0	270,355	272,373	82,603	0	82,603
Professional Development Fund	3-7	30,581	0	2,300	4,664	28,217	0	28,217
Parent Education Fund	3-8	0	0	9,900	9,900	0	0	0
Summer School Fund	3-9	1,586	0	0	0	1,586	0	1,586
Special Education Fund	3-10	379,399	0	814,179	801,956	391,622	0	391,622
Vocational Education Fund	3-11	80,000	0	117,184	99,184	98,000	0	98,000
Gifts and Grants Fund	3-12	665	0	1,500	2,165	0	0	0
Health Care Reserve Fund	3-13	50,690	0	0	0	50,690	0	50,690
Kpers Fund	3-14	0	0	173,656	173,656	0	0	0
Contingency Reserve Fund	3-15	447,688	0	0	40,000	407,688	0	407,688
Clearing Account Fund	3-16	0	0	17,130	17,130	0	0	0
Textbook & Materials Revolving Fund	3-17	184,704	0	227	18,600	166,331	0	166,331
Title 1 - Current-Fund	3-18	0	0	80,179	80,179	0	0	0
Title 1 - Carryover-Fund	3-19	0	0	14,300	14,300	0	0	0
Teacher Quality Carryover	3-20	0	0	9,190	9,190	0	0	0
Title 11A Teacher Quality Fund	3-21	0	0	33,639	33,639	0	0	0
Title 11 - D - Education Fund	3-22	0	0	319	319	0	0	0
Title 11D-ARRA	3-23	0	0	62,830	62,830	0	0	0
Reap Fund	3-24	0	0	17,710	17,710	0	0	0
Title IV-Preparedness	3-25	0	0	0	0	0	0	0
<b>District Activity Funds</b>								
Athletic Gate Fund	5	11,169	0	49,339	51,460	9,047	0	9,047
School Project Funds	5	8,419	0	15,214	14,418	9,217	0	9,217
<b>Debt Service Funds</b>								
Bond and Interest Fund	3-26	78,395	0	65,856	67,320	76,931	0	76,931
<b>Total Reporting Entity</b>		<b>2,119,140</b>	<b>0</b>	<b>7,328,620</b>	<b>7,163,498</b>	<b>2,284,263</b>	<b>68,073</b>	<b>2,352,336</b>

Composition of Cash  
Money Market Accounts \$ 1,841,250  
Certificate of Deposit 500,000  
Operating Accounts 51,647  
Petty Cash 3,100

TOTAL CASH  
AGENCY FUNDS PER STATEMENT 4  
2,395,997

TOTAL REPORTING ENTITY (Excluding - Agency Funds) \$ 2,352,336

**UNIFIED SCHOOL DISTRICT NO. 109**  
**Belleville, Kansas**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**

**BUDGETED FUNDS ONLY**

**For The Year Ended June 30, 2011**

**STATEMENT 2**

<u>Fund</u>	<u>Statement</u>	<u>Certified Budget</u>	<u>Adjustments To Comply With Legal Max</u>	<u>Adjustments For Qualifying Budget Credits</u>	<u>Total Budget For Comparison</u>	<u>Expenditures Chargable To Current Year</u>	<u>Variance Favorable (Unfavorable)</u>
Governmental Type Funds							
General	3-1	\$ 3,861,149	\$ 0	\$ 0	\$ 3,861,149	\$ 3,799,991	\$ 61,158
Supplemental General	3-2	1,220,000	0	0	1,220,000	1,220,000	0
Special Revenue Funds							
At Risk K-12	3-3	306,918	0	0	306,918	283,789	23,129
Capital Outlay	3-4	610,000	0	0	610,000	63,216	546,784
Driver Training	3-5	16,750	0	0	16,750	5,509	11,241
Food Service	3-6	337,000	0	0	337,000	272,373	64,627
Professional Development	3-7	9,000	0	0	9,000	4,664	4,336
Parent Education Program	3-8	10,650	0	0	10,650	9,900	750
Summer School	3-9	1,587	0	0	1,587	0	1,587
Special Education	3-10	810,000	0	0	810,000	801,956	8,044
Vocational Education	3-11	170,930	0	0	170,930	99,184	71,746
KPERS	3-15	228,221	0	0	228,221	173,656	54,565
Debt Service Funds							
Bond And Interest	3-25	67,320	0	0	67,320	67,320	0
<b>TOTALS</b>		<b>\$ 7,649,525</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 7,649,525</b>	<b>\$ 6,801,558</b>	<b>\$ 847,967</b>

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATUTORY RECEIPTS AND EXPENDITURES**  
**STATUTORY AND BUDGET**

For The Year Ended June 30, 2011

(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-1

GENERAL FUND

	Prior Year Statutory Transactions	Current Year		Variance Over (Under)
		Statutory Transactions	Budget	
<b>Statutory Receipts</b>				
Taxes in Process	\$ 26,230	\$ 17,553	\$ 12,198	\$ 5,355
Ad Valorem Property Tax	581,146	578,389	565,033	13,356
Delinquent Tax	4,974	5,136	4,079	1,057
General State Aid	2,546,352	2,489,784	2,667,157	(177,373)
Recreational Vehicle Tax	384	373	0	373
ARRA Grant	183,499	67,095	67,095	0
Ed Jobs Fund	0	117,484	0	117,484
Special Education Aid	537,019	524,179	545,585	(21,406)
<b>Total Statutory Receipts</b>	<u>3,879,604</u>	<u>3,799,992</u>	<u>\$ 3,861,147</u>	<u>\$ (61,155)</u>
<b>Expenditures</b>				
Instruction	1,727,447	1,673,076	\$ 1,749,640	\$ 76,564
Student Support Services	122,050	109,518	123,760	14,242
Instructional Support Staff	99,311	97,790	101,254	3,464
General Administration	232,605	256,958	238,815	(18,143)
School Administration	310,636	276,192	276,160	(32)
Operations and Maintenance	410,454	398,535	417,870	19,335
Transportation	164,481	159,197	188,550	29,353
Other Supplemental Service	38,269	46,632	46,080	(552)
Operating Transfers	774,351	782,097	719,020	(63,077)
Adjustment To Comply With Legal Mix	0	0	0	0
Adjustment for qualifying budget credits	0	0	0	0
<b>Total Expenditures</b>	<u>3,879,604</u>	<u>3,799,991</u>	<u>\$ 3,861,149</u>	<u>\$ 61,154</u>
<b>Statutory Revenues Over (Under) Expenditures</b>	0	1		
<b>Modified Unencumbered Cash - Beginning</b>	0	0		
<b>Prior Year Cancelled Encumbrances</b>				
<b>Modified Unencumbered Cash - Ending</b>	<u>\$ 0</u>	<u>\$ 1</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF STATUTORY RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-2

SUPPLEMENTAL GENERAL FUND

	Prior Year Statutory Transactions	Current Year		Variance Over Under
		Statutory Transactions	Budget	
<b>Statutory Revenues</b>				
Tax in Process	\$ 38,304	\$ 25,208	\$ 9,429	\$ 15,779
Ad Valorem Property Tax	744,936	773,965		773,965
Delinquent Tax	8,386	7,584	15,724	(8,140)
Other Local Sources	0	0	0	0
Motor Vehicle Tax	107,603	105,547	103,277	2,270
Other County Revenue	440	444	0	444
Machinery & Equipment State Aid	0	0	0	0
Federal Grant -ARRA	93,278	0	0	0
State Aid	274,540	302,395	303,385	(990)
<b>Total Statutory Revenues</b>	<u>1,267,487</u>	<u>1,215,142</u>	<u>\$ 431,815</u>	<u>\$ 783,328</u>
<b>Expenditures</b>				
Instruction	304,417	358,019	\$ 343,900	\$ (14,119)
Support Service	6,497	0	8,800	8,800
Instructional Support Staff	0	53,175	3,000	(50,175)
General Administration	34,166	5,406	27,500	22,094
School Administration	3,665	324	10,700	10,376
Support Service	0	0	0	0
Operation & Maintenance	117,563	92,597	133,000	40,403
Transportation	35,555	61,579	142,170	80,591
Operating Transfers	772,036	648,900	550,930	(97,970)
<b>Total Expenditures</b>	<u>1,273,899</u>	<u>1,220,000</u>	<u>\$ 1,220,000</u>	<u>\$ 0</u>
<b>Statutory Revenues Over (Under) Expenditures</b>	(6,412)	(4,858)		
<b>Modified Unencumbered Cash - Beginning</b>	62,451	56,039		
<b>Prior Year Cancelled Encumbrances</b>				
<b>Unencumbered Cash - Ending</b>	<u>\$ 56,039</u>	<u>\$ 51,181</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
ACTUAL

For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-3

SPECIAL REVENUE FUNDS

AT RISK K-12 FUND

	Prior Year Actual	Current year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts	\$	\$	\$	\$
Transfer from General		254,598	200,000	54,598
Transfer from Supp General	319,842	39,191	117,785	(78,594)
Total Cash Receipts	319,842	293,789	\$ 317,785	\$ (23,996)
Expenditures				
Instruction	286,470	270,653	\$ 306,918	\$ 36,265
Support	0	13,137	0	0
Total Expenditures	286,470	283,789	\$ 306,918	\$ 23,129
Receipts Over (Under) Expenditures	33,372	10,000		
Uncumbered Cash - Beginning	136,628	170,000		
Uncumbered Cash - Ending	\$ 170,000	\$ 180,000		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-4**

**SPECIAL REVENUE FUNDS**

**CAPITAL OUTLAY FUND**

	<u>Prior year</u>	<u>Actual</u>	<u>Current Year</u>	
			<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Cash Receipts</b>				
Ad Valrem Tax	\$ 68,326	\$ 66,915	\$ 64,470	\$ 2,445
Delinquent Tax	581	658	1,374	(716)
Interest on Idle Funds	10,616	8,262	10,000	(1,738)
Other Local Source	5,212	10,636	5,000	5,636
Vehicle Tax	9,531	8,629	8,827	(198)
State Aid	0	0	0	0
Transfer from General	185,000	163,645	0	163,645
	<u>279,269</u>	<u>258,744</u>	<u>\$ 89,671</u>	<u>\$ 169,077</u>
<b>Total Cash Receipts</b>				
	<u>279,269</u>	<u>258,744</u>	<u>\$ 89,671</u>	<u>\$ 169,077</u>
<b>Expenditures</b>				
Instructional Furn/equip	89,872	43,442	\$ 25,000	\$ (18,442)
Student Support Services	0	0	0	0
Instructional Support	0	0	25,000	25,000
General Administration	69,937	10,960	150,000	139,040
Operations & maintenance	101,756	0	200,000	200,000
Transportation		0	210,000	210,000
Facility acq & construction	34,316	8,815	0	(8,815)
	<u>295,878</u>	<u>63,216</u>	<u>\$ 610,000</u>	<u>\$ 546,786</u>
<b>Total Expenditures</b>				
	<u>295,878</u>	<u>63,216</u>	<u>\$ 610,000</u>	<u>\$ 546,786</u>
<b>Receipts Over (Under) Expenditures</b>	(16,609)	195,528		
<b>Unencumbered Cash - Beginning</b>	<u>537,323</u>	<u>520,714</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 520,714</u>	<u>\$ 716,241</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-5**

**SPECIAL REVENUE FUNDS**

**DRIVER TRAINING FUND**

		<b>Current Year</b>		
	<b>Prior Year</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Cash Receipts</b>				
State Aid	\$ 1,050	\$ 2,146	\$ 2,030	\$ 116
Local Sources	2,900	3,800	0	3,800
Operating Transfers	0	0	10,000	(10,000)
	3,950	5,946	\$ 12,030	\$ (6,084)
<b>Expenditures</b>				
Instruction	6,525	5,475	\$ 16,500	\$ 11,025
Operations & Maintenance	58	34	250	216
	6,583	5,509	\$ 16,750	\$ 11,241
<b>Receipts Over (Under) Expenditures</b>	(2,633)	437		
<b>Unencumbered Cash - Beginning</b>	17,103	14,470		
<b>Unencumbered Cash - Ending</b>	\$ 14,470	\$ 14,907		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-6**

**SPECIAL REVENUE FUNDS**

**FOOD SERVICE FUND**

	<u>Prior Year</u>	<u>Actual</u>	<u>Current Year</u>	
			<u>Budget</u>	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Federal Aid	\$ 131,690	\$ 141,410	\$ 124,033	\$ 17,377
State Aid	2,959	3,071	2,353	718
Student & Adult Receipts	85,641	95,874	85,999	9,875
Operating Transfers	<u>43,000</u>	<u>30,000</u>	<u>40,000</u>	<u>(10,000)</u>
<b>Total Cash Receipts</b>	<u>263,289</u>	<u>270,355</u>	<u>\$ 252,385</u>	<u>\$ 17,970</u>
<b>Expenditures</b>				
Operations and Maintenance	17,892	18,973	\$ 19,600	\$ 627
Food Service Operations	<u>244,296</u>	<u>253,400</u>	<u>317,406</u>	<u>64,006</u>
<b>Total Expenditures</b>	<u>262,188</u>	<u>272,373</u>	<u>\$ 337,006</u>	<u>\$ 64,633</u>
<b>Receipts Over (Under) Expenditures</b>	1,101	(2,018)		
<b>Unencumbered Cash - Beginning</b>	<u>83,519</u>	<u>84,621</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 84,621</u>	<u>\$ 82,603</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-7**

**SPECIAL REVENUE FUNDS**

**PROFESSIONAL DEVELOPMENT FUND**

	Current Year			
	Prior Year	Actual	Budget	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
State of Kansas	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers	7,940	2,300	5,000	(2,700)
<b>Total Cash Receipts</b>	7,940	2,300	\$ 5,000	\$ (2,700)
<b>Expenditures</b>				
Instructional Services	8,077	4,664	\$ 15,500	\$ 10,836
<b>Total Expenditures</b>	8,077	4,664	\$ 15,500	\$ 10,836
<b>Receipts Over (Under) Expenditures</b>	(137)	(2,364)		
<b>Unencumbered Cash - Beginning</b>	30,717	30,581		
<b>Unencumbered Cash - Ending</b>	\$ 30,581	\$ 28,217		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-8**

**SPECIAL REVENUE FUNDS**

**PARENT EDUCATION PROGRAM FUND**

		<u>Current Year</u>		
	<u>Prior Year</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Cash Receipts</b>				
Other District	\$ 0	\$ 0	\$ 0	\$ 0
Transfer from General	0	9,900	10,650	(750)
Transfer from supplemental general	<u>8,250</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Cash Receipts</b>	<u>8,250</u>	<u>9,900</u>	<u>\$ 10,650</u>	<u>\$ (750)</u>
<b>Expenditures</b>				
Student Support Services	<u>8,250</u>	<u>9,900</u>	<u>\$ 10,650</u>	<u>\$ 750</u>
<b>Total Expenditures</b>	<u>8,250</u>	<u>9,900</u>	<u>\$ 10,650</u>	<u>\$ 750</u>
<b>Receipts Over (Under) Expenditures</b>	0	0		
<b>Unencumbered Cash - Beginning</b>	<u>0</u>	<u>0</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-9

**SPECIAL REVENUE FUNDS**

**SUMMER SCHOOL FUND**

	<u>Prior Year</u>	<u>Current Year</u>		<u>Variance Favorable (Unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts</b>				
Operating Transfers	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Cash Receipts</b>	<u>0</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures</b>				
Instruction	<u>0</u>	<u>0</u>	\$ 1,587	\$ 1,587
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>\$ 1,587</u>	<u>\$ 1,587</u>
<b>Receipts Over (Under) Expenditures</b>	0	0		
<b>Unencumbered Cash - Beginning</b>	<u>1,586</u>	<u>1,586</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 1,586</u>	<u>\$ 1,586</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-10**

**SPECIAL REVENUE FUNDS**

**SPECIAL EDUCATION FUND**

	<u>Prior Year</u>	<u>Current Year</u>		<u>Variance Favorable (Unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts</b>				
State Aid	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers	<u>747,019</u>	<u>814,179</u>	<u>655,539</u>	<u>158,640</u>
<b>Total Cash Receipts</b>	<u>747,019</u>	<u>814,179</u>	<u>\$ 655,539</u>	<u>\$ 158,640</u>
<b>Expenditures</b>				
Instruction	613,111	748,550	\$ 749,700	\$ 1,150
General Administration	0	0	0	0
School Administration	0	0	0	0
Operations and Maintenance	0	0	0	0
Student Transportation	50,811	47,442	60,300	12,858
Vehicle Operating	22,960	5,967	0	(5,967)
Vehicle Maintenance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Expenditures</b>	<u>686,881</u>	<u>801,956</u>	<u>\$ 810,000</u>	<u>\$ 8,041</u>
<b>Receipts Over (Under) Expenditures</b>	60,138	12,223		
<b>Unencumbered Cash - Beginning</b>	<u>319,261</u>	<u>379,399</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 379,399</u>	<u>\$ 391,622</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET

For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-11

SPECIAL REVENUE FUNDS

VOCATIONAL EDUCATION FUND

	<u>Prior Year</u>	<u>Current Year</u>		<u>Variance Favorable (Unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts</b>				
Operating Transfers	\$ <u>142,336</u>	\$ <u>117,184</u>	\$ <u>90,930</u>	\$ <u>26,254</u>
<b>Total Cash Receipts</b>	<u>142,336</u>	<u>117,184</u>	<u>90,930</u>	<u>26,254</u>
<b>Expenditures</b>				
Instruction	<u>97,336</u>	<u>99,184</u>	\$ <u>170,930</u>	\$ <u>71,746</u>
<b>Total Expenditures</b>	<u>97,336</u>	<u>99,184</u>	\$ <u>170,930</u>	\$ <u>71,746</u>
<b>Receipts Over (Under) Expenditures</b>	45,000	18,000		
<b>Unencumbered Cash - Beginning</b>	<u>35,000</u>	<u>80,000</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>80,000</u>	\$ <u>98,000</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-12**

**SPECIAL REVENUE FUNDS**

**GIFTS AND GRANTS FUND**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$	\$
Contributions & Donations	1,000	1,500
Total Receipts	1,000	1,500
Expenditures		
Equipment	1,335	2,165
Total Expenditures	1,335	2,165
Receipts Over (Under) Expenditures	(335)	(665)
Unencumbered Cash - Beginning	1,000	665
Unencumbered Cash - Ending	\$ 665	\$ 0

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
ACTUAL

For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-13

SPECIAL REVENUE FUNDS

HEALTH CARE RESERVE FUND

	2010 Actual	2011 Actual
Cash Receipts	\$	\$
Interest on Idle Funds	0	0
District Contributions	0	0
Other	0	0
Total Cash Receipts	0	0
Expenditures		
Premiums	0	0
Premiums Refunded	0	0
Claims	0	0
Miscellaneous Expense	0	0
Total Expenditures	0	0
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	50,690	50,690
Unencumbered Cash - Ending	\$ 50,690	\$ 50,690

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL AND BUDGET**

For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-14

SPECIAL REVENUE FUNDS

KPERS FUND

	<u>Prior Year</u>	<u>Current Year</u>		<u>Variance Favorable (Unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts</b>				
Employers Payments	\$ 203,769	\$ 173,656	\$ 228,221	\$ (54,565)
<b>Total Cash Receipts</b>	<u>203,769</u>	<u>173,656</u>	<u>228,221</u>	<u>(54,565)</u>
<b>Expenditures</b>				
Benefits	<u>203,769</u>	<u>173,656</u>	<u>228,221</u>	<u>54,565</u>
<b>Total Expenditures</b>	<u>203,769</u>	<u>173,656</u>	<u>228,221</u>	<u>54,565</u>
<b>Receipts Over (Under) Expenditures</b>	0	0		
<b>Unencumbered Cash - Beginning</b>	<u>0</u>	<u>0</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
ACTUAL

For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-15

SPECIAL REVENUE FUNDS

CONTINGENCY RESERVE FUND

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$ <u>0</u>	\$ <u>0</u>
Expenditures	<u>0</u>	<u>40,000</u>
Receipts Over (Under) Expenditures	0	(40,000)
Unencumbered Cash - Beginning	<u>447,688</u>	<u>447,688</u>
Unencumbered Cash - Ending	\$ <u><u>447,688</u></u>	\$ <u><u>407,688</u></u>

This is not a Budgeted Fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
ACTUAL

For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-16

SPECIAL REVENUE FUNDS

CLEARING ACCOUNT FUND

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$ 16,581	\$ 17,130
Expenditures	<u>16,581</u>	<u>17,130</u>
Receipts Over (Under) Expenditures	0	0
Uncumbered Cash - Beginning	<u>0</u>	<u>0</u>
Uncumbered Cash - Ending	<u>\$ 0</u>	<u>\$ 0</u>

This is not a budgeted fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CASH BALANCE - ACTUAL**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-17

SPECIAL REVENUE FUNDS

TEXTBOOK & STUDENT MATERIAL REVOLVING FUND

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts		
Rental Fees	\$ 1,663	\$ 227
Transfer	93,000	0
Total Cash Receipts	<u>94,663</u>	<u>227</u>
Expenditures		
Textbooks	78,554	18,600
Other	0	0
Total Expenditures	<u>78,554</u>	<u>18,600</u>
Receipts Over (Under) Expenditures	16,109	(18,373)
Uncumbered Cash - Beginning	<u>153,145</u>	<u>184,704</u>
Uncumbered Cash-Ending	<u>169,254</u>	<u>166,331</u>
Add - Encumbrances-A/C payable	<u>15,451</u>	<u>0</u>
Ending Cash Balance	\$ <u><u>184,704</u></u>	\$ <u><u>166,331</u></u>

This is not a budgeted fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-18

**SPECIAL REVENUE FUNDS**

**TITLE I CURRENT FUND**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$	\$
Reimbursement	<u>81,056</u>	<u>80,179</u>
Total Receipts	<u>81,056</u>	<u>80,179</u>
Expenditures		
Title 1- Current	<u>81,056</u>	<u>80,179</u>
Total Expenditures	<u>81,056</u>	<u>80,179</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	<u>\$ 0</u>	<u>\$ 0</u>

This is not a budgeted fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CASH BALANCE - ACTUAL  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-19

SPECIAL REVENUE FUNDS

TITLE 1 - CARRYOVER FUND

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$ <u>10,056</u>	\$ <u>14,303</u>
Disbursements	<u>10,056</u>	<u>14,303</u>
Receipts Over (Under) Expenditures	0	0
Uncumbered Cash - Beginning	<u>0</u>	<u>0</u>
Uncumbered Cash - Ending	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

This is not a budgeted fund.

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CASH BALANCE - ACTUAL**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-20

**SPECIAL REVENUE FUNDS**  
**TEACHER QUALITY CARRYOVER**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$ <u>9,498</u>	\$ <u>9,190</u>
Disbursements	<u>9,498</u>	<u>9,190</u>
Receipts Over (Under) Expenditures	0	0
Uncumbered Cash - Beginning	<u>0</u>	<u>0</u>
Uncumbered Cash - Ending	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

This is not a budgeted fund.

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CASH BALANCE - ACTUAL  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-21

SPECIAL REVENUE FUNDS

CLASS SIZE REDUCTION

TITLE 11 - A TEACHER QUALITY FUND

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$ 27,573	\$ 33,639
Cash Disbursements	<u>27,573</u>	<u>33,639</u>
Receipts Over (Under) Disbursements	0	0
Total Cash Receipts - Beginning	<u>0</u>	<u>0</u>
Cash Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>

This is not a budgeted fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CASH BALANCE - ACTUAL**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-22**

**SPECIAL REVENUE FUNDS**

**TITLE 11 - D - EDUCATION FUND**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts	\$ <u>850</u>	\$ <u>319</u>
Disbursements	<u>850</u>	<u>319</u>
Receipts Over (Under) Expenditures	0	0
Uncumbered Cash - Beginning	<u>0</u>	<u>0</u>
Uncumbered Cash - Ending	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

This is not a budgeted fund.

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
ACTUAL

For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

STATEMENT 3-23

SPECIAL REVENUE FUNDS

TITLE IID-ARRA FUND

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts		
Federal	\$ 2,090	\$ 62,830
Expenditures		
Salaries	2,090	62,830
Receipts Over (Under) Expenditures	0	0
Uncumbered Cash - Beginning	<u>0</u>	<u>0</u>
Uncumbered Cash - Ending	<u>\$ 0</u>	<u>\$ 0</u>

This is not a budgeted fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-24**

**SPECIAL REVENUE FUNDS**

**REAP FUND**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts		
Federal Aid	\$ 19,328	\$ 17,710
Total Receipts	<u>19,328</u>	<u>17,710</u>
Expenditures		
Other Purchased Services	19,328	17,710
Total Expenditures	<u>19,328</u>	<u>17,710</u>
Receipts Over (Under) Expenditures	0	0
Uncumbered Cash - Beginning	<u>0</u>	<u>0</u>
Uncumbered Cash - Ending	<u>\$ 0</u>	<u>\$ 0</u>

This is not a budgeted fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**  
**ACTUAL**  
For The Year Ended June 30, 2011  
(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-25**

**SPECIAL REVENUE FUNDS**

**TITLE IV - PREPAREDNESS FUND**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts		
Federal Aid	\$ 500	\$ 0
Total Receipts	<u>500</u>	<u>0</u>
Expenditures		
Other Purchased Services	<u>500</u>	<u>0</u>
Total Expenditures	<u>500</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash - Beginning	<u>0</u>	<u>0</u>
Unencumbered Cash - Ending	<u>\$ 0</u>	<u>\$ 0</u>

This is not a budgeted fund

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES**

**ACTUAL - BUDGET**

For The Year Ended June 30, 2011

(With Comparative Actual Totals for Prior Year Ended June 30, 2010)

**STATEMENT 3-26**

**DEBT SERVICE FUND**

**BOND AND INTEREST FUND**

	Current Year			Variance Favorable (Unfavorable)
	Prior Year	Actual	Budget	
<b>Cash Receipts</b>				
Ad Valorem Taxes	\$ 52,820	\$ 51,562	\$ 49,671	\$ 1,891
Back Taxes	507	503	1,033	(530)
Interest	0	0	0	0
Motor Vehicle Tax	7,461	6,926	6,544	382
Recreational Vehicle Tax	104	104	0	104
Machinery & Equipment State Aid	0	0	0	0
State Aid	6,957	6,732	6,732	0
Other	30	29	0	29
<b>Total Cash Receipts</b>	<u>67,878</u>	<u>65,856</u>	<u>\$ 63,980</u>	<u>\$ 1,876</u>
<b>Expenditures</b>				
Bond Principal	50,000	55,000	55,000	0
Bond Interest	14,618	12,320	12,320	0
Commision and Postage	0	0	0	0
<b>Total Expenditures</b>	<u>64,618</u>	<u>67,320</u>	<u>\$ 67,320</u>	<u>\$ 0</u>
<b>Receipts Over (Under) Expenditures</b>	3,260	(1,464)		
<b>Unencumbered Cash - Beginning</b>	<u>75,134</u>	<u>78,395</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>78,395</u>	\$ <u>76,931</u>		

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS  
AND CASH BALANCES - ACTUAL**  
For The Year Ended June 30, 2011

**STATEMENT 4**

**SCHOOL ACTIVITY FUNDS**

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Transfers</u>	<u>Ending Cash Balance</u>
High School Activity					
Band	\$ 1,701	\$ 2,321	\$ 2,385	\$	\$ 1,637
Sales Tax	97	3,483	3,363		217
BAKKEN-Band Uniform	160	0	0		160
FBLA	3,568	5,239	5,101		3,706
Class of 2009	347	0	0		347
Class of 2010	144	0	0		144
Class of 2011	2,291	415	2,465		241
Class of 2012	659	11,459	9,192		2,926
Class of 2013	610	175	0		785
Class of 2014	0	450	78		372
Art Club	210	96	100		206
Kays	229	1,045	1,191		83
Science Club	425	250	330		345
Spanish Club	290	50	0		340
Cheerleaders	561	6,858	6,201		1,219
JH Cheerleaders	638	773	776		635
FFA	637	31,727	30,337		2,026
Actor's Guild	10,281	16,247	17,081		9,448
Vocal Music	54	415	449		20
FCCLA	1,010	3,289	3,121		1,177
Student Council	9,873	3,173	4,802		8,245
JH Stuco	406	0	406		0
National Honor Society	349	68	171		246
JH Pep Club	131	750	646		235
FFA Concessions Accounts	2,016	9,156	9,761		1,411
JH Concessions	3,578	7,447	8,504		2,520
JH Fund	2,002	2,501	559		3,944
FFA Fair Account	1,026	0	0		1,026
<b>Total Student Activity Funds</b>	<b>\$ 43,293</b>	<b>\$ 107,387</b>	<b>\$ 107,019</b>	<b>\$ 0</b>	<b>\$ 43,661</b>

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

ACTUAL

For The Year Ended June 30, 2010

STATEMENT 5

DISTRICT ACTIVITY FUNDS

ATHLETIC GATE RECEIPTS FUNDS

	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
High School	\$	\$	\$	\$
Athletics	381	45,280	44,922	739
Drama	8,910	1,360	2,416	7,855
Scholar's Bowl	296	645	662	279
Tennis-High School	200	555	740	14
Cross Country	166	1,499	1,504	160
Junior High	1,216	0	1,216	0
Totals	<u>\$ 11,169</u>	<u>\$ 49,339</u>	<u>\$ 51,460</u>	<u>\$ 9,047</u>

SCHOOL PROJECTS FUND

East Library Book Fair	\$ 1,681	\$ 1,876	\$ 1,346	\$ 2,211
A. R. Store	2,655	1,337	1,275	2,718
Miscellaneous	758	655	833	580
Show Choir Performances	300	100	0	400
Academic Achievers	238	0	0	238
Jazz Band - Trip Funds	312	0	0	312
Incentive Programs-RCHS	1,000	1,588	276	2,312
Jr. High Music	211	0	211	0
Football-Irrigation	871	1,650	2,468	54
RCHS Volleyball	0	656	568	88
RCJH Volleyball /BB	0	1,771	1,467	304
Jr. High Library	393	0	393	0
Totals	<u>\$ 8,419</u>	<u>\$ 9,633</u>	<u>\$ 8,837</u>	<u>\$ 9,217</u>

FEE AND USER CHARGES

USD # 109	\$	\$	\$	\$
Vo Ag	0	831	831	0
Science Lab	0	565	565	0
Art	0	686	686	0
Practical Arts	0	0	0	0
Band	0	3,182	3,182	0
FACS	0	318	318	0
Math	0	0	0	0
Drafting	0	0	0	0
Totals	<u>\$ 0</u>	<u>\$ 5,581</u>	<u>\$ 5,581</u>	<u>\$ 0</u>

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1 - FINANCIAL REPORTING ENTITY

Unified School District No. 109 is a Municipal Corporation established under Kansas Statutes with territory in Republic, Cloud, Washington and Jewell counties. The District is governed by an elected seven-member board. The financial statements present the financial condition and results of operation of the district. The district is a primary government and has no component units.

2 - BASIS OF PRESENTATION

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2011:

Governmental Funds

General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than major capital projects), that are restricted by law or administrative action to expenditure for specified purposes.

Trust and Agency Funds - to account for assets held in a trustee capacity or as an agent for individuals, other governmental units, private organizations, and/or other funds. These include Expendable Trust Funds, Non-expendable Trust Funds, pension Trust Funds, and Agency Funds.

3 - BASIS OF ACCOUNTING

These financial statements are presented on a basis of accounting, which demonstrates compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. For an interfund transaction receipt is recorded in the fund receiving cash from another fund. Cash disbursements are recognized when the cash balance of a fund is decreased. For an interfund transaction, a cash disbursement is recorded in the fund from which the cash is transferred. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3- BASIS OF ACCOUNTING (CONTINUED)

The municipality has obtained a GAAP waiver from the State of Kansas, which thereby allows this type of special reporting

4- DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLE

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality is not presented in the financial statements.

5- REIMBURSED EXPENSES

The purpose of these expenditures is to repay the district for amounts remitted on behalf of another party and such expenditures are exempt for the budget law under K.S.A. 79-2934. Reimbursed expenses are defined as repayments for amounts remitted on behalf of another party. All reimbursed expenses are defined as repayments for amounts remitted statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the original cash disbursement.

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1- BUDGETARY DATA

Kansas Statutes require that an annual operating budget be legally adopted for the general fund and special revenue funds (unless specifically exempted by statute). The statutes provide for the following sequence and timetable in the adoption of the annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1<sup>st</sup>.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5<sup>th</sup>.

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1 - BUDGETARY DATA (CONTINUED)

3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increase in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and governing body may amend the budget at that time.

These taxes become a lien against all property November 1<sup>st</sup>. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20 and May 10. Delinquent taxes are assessed interest at 11% per annum. The County retains this interest.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to a legal adopted budget of receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditures authority) lapse at year-end.

A legal operating budget is not required for trust funds, agency funds, and the following special revenue funds

Health Care Reserve	Contingency Reserve
Textbook Rental	Student Materials Revolving
Gate Receipts	School Project Account
Fee and User Charges	Funds controlled by federal regulations

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

1 - BUDGETARY DATA (CONTINUED)

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase. For disclosure purposes, material inventories would be reported as an asset offset by a reserve.

NOTE C - DEPOSITS AND INVESTMENTS

1 - Deposits

At year-end the carrying amount of the District's deposits, including certificates of deposit, was \$2,395,997. The bank balance was \$2,504,620. The difference between the carrying amount and the bank balance are outstanding checks and deposits in transit. Of the bank balance, \$51,6470 was covered by FDIC insurance and the remaining \$ 0 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a third-party custodial agreement signed by all three parties: the district's, the pledging bank, and the independent third-party bank holding the securities.

2 - Investments

Funds of the District were on deposit in interest bearing accounts in banks and Certificates of Deposit issued by banks during the years ended June 30, 2011 and 2010.

3 - Pooling of Cash and Investments

The cash of each of the funds of the District are pooled together so that better management of cash and investments can be practiced, resulting in greater earnings accruing to the District.

Funds of the District accruing interest as of June 30, 2011 were \$ 2,352,336.

NOTE D - REVENUE

1 - INTER-FUND TRANSACTIONS

Recurring annual transfers between budgetary funds for the purpose of shifting resources from the fund legally required to receive the revenue, to the fund authorized to expend the money.

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE D - REVENUE (CONTINUED)

1 - INTER-FUND TRANSACTIONS (Continued)

revenue, have been segregated from normal revenues and expenditures for reporting purposes. They are:

<u>From</u>	<u>To</u>	2010 <u>Amount</u>	2011 <u>Amount</u>
General	Special Education	537,019	524,179
General	Vocational Education	44,392	42,882
General	Capital Outlay	185,000	163,645
General	Inservice	7,940	2,300
General	Parent Education	0	9,900
General	AT Risk K-12	<u>0</u>	<u>39,191</u>
	<b>TOTAL</b>	<u>774,351</u>	<u>782,097</u>
Local Option	Special Education	210,000	290,000
Local Option	Professional Development	0	0
Local Option	Vocational Education	97,944	74,302
Local Option	Food Service	43,000	0
Local Option	Textbook Rental	93,000	0
Local Option	Parents Education	8,250	0
Local Option	At Risk (K-12)	319,842	254,598
Local Option	Food Service	<u>0</u>	<u>30,000</u>
	<b>TOTAL</b>	<u>772,036</u>	<u>938,900</u>
	<b>TOTAL TRANSFERS</b>	<u>\$1,546,387</u>	<u>\$ 1,720,997</u>

The above transfers are included in the expenditures of the disbursing fund and included in the revenue of the receiving fund as required by the cash basis and budget laws, Kansas, and for budget comparison purposes.

2 - Total property taxes received by the District during the years ended June 30, 2010 and 2011 were:

<u>Fund</u>	2010	2011
General Fund	\$ 612,350	\$ 601,078
Local Option Fund	899,669	912,748
Bond & Interest	<u>60,922</u>	<u>59,124</u>
Total	<u>\$ 1,572,941</u>	<u>\$1,572,950</u>

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

**NOTE D - REVENUE (CONTINUED)**

Property taxes levied in 2010 and 2011 that had not been received by the District and which are classified as taxes receivable (tax dollars to be received), net of estimated delinquency at June 30, were:

<u>Fund</u>	<u>06-30-10</u> <u>Amounts</u>	<u>06-30-11</u> <u>Amounts</u>
General	\$ 26,230	\$ 17,553
Supplemental General	38,304	25,208
Bond & Interest	<u>2,344</u>	<u>0,000</u>
<b>TOTAL</b>	<b>\$ <u>62,878</u></b>	<b>\$ <u>42,761</u></b>

- 3 - Interest received on Investments and credited to the following funds for the years ended June 30, 2010 and 2011 was:

<u>Fund</u>	<u>2010</u>	<u>2011</u>
Capital Outlay	\$ 10,818	\$ 8,262
Health Care Reserve	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$ <u>10,818</u></b>	<b>\$ <u>8,262</u></b>

- 4 - INTERGOVERNMENTAL ASSISTANCE - STATE

<u>Type of Aid</u>	<u>Fund</u>	<u>2010</u>	<u>2011</u>
Kpers	Kpers Fund	\$ 203,769	\$ 173,656
State Equalization Aid	General Fund	2,546,352	2,489,784
State Safety	Drivers Training Fund	1,050	2,146
State Food Service	Food Service Fund	2,959	3,071
State Inservice	Professional Development Fd	0	0
State Supplement General	Supplemental Fund	274,540	302,395
School Dist Capital Improv	Bond and Interest	6,957	6,732
State Special Education	General Fund	537,019	524,179
State Aid Mentor Teacher	General	1,000	3,000
State Aid Capital Outlay	Capital Outlay	<u>0</u>	<u>0</u>
<b>TOTAL STATE AID</b>		<b>\$ <u>3,573,646</u></b>	<b>\$ <u>3,504,963</u></b>

- 5 - Federal Assistance received during the years ended June 30, 2010 and 2011 was:

<u>Fund</u>	<u>2010</u>	<u>2011</u>
Title I Fund	\$ 81,056	\$ 80,179
Title I- Carryover	10,056	14,303
Food Service	131,690	141,410
Title II - Technology	850	319
Title II D - ARRA	2,090	0
Title I - AARA	0	62,830
Title II - Improving Teacher Quality	27,753	33,639
School Preparedness	500	0
Teacher Quality Carryover	9,498	9,190
Data Use	800	0
Stabilization	276,777	0
ARRA Grant	0	67,095
Ed Jobs Fund	0	117,484
Reap Fund	<u>19,328</u>	<u>17,710</u>
<b>TOTAL</b>	<b>\$ <u>560,398</u></b>	<b>\$ <u>544,159</u></b>

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE E - FRINGE BENEFIT PLAN

The District has adopted an IRS - IRC Section No. 125 "Cafeteria" Fringe Benefit Plan. The options under the plan are salary reduction option. In addition, each employee may choose to take the benefit in cash, a taxable option.

Employees that are eligible for the plan are all employees eligible for KPERS. The maximum benefit allowance per employee is \$4,620 for the 2010/2011 contract year.

Provisions available are:

- Group Health Insurance
- Group Term Life Insurance (Maximum)
- Salary Protection Insurance
- Cancer Insurance
- Medical Reimbursement Accounts
- Dependent Care Reimbursement Accounts

KPERS

Total Gross Payroll (all employees for (Fiscal) YE 6-30-2011	\$ 3,015,934.00
Gross payroll for the year end subject to KPERS	2,600,251.00
Total KPERS contribution withheld from employees	109,389.78
USD KPERS rate applicable for the (Fiscal) year ending 6-30-2011	
Tier I      4%      KPERS contribution withheld	\$ 93,251.42
Tier II     6%      KPERS contribution withheld	16,138.36

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE F - DEFINED BENEFIT PENSION PLAN

*Plan Description.* The (school Municipality) participates in the Kansas Public Employee Retirement Systems (KPERS); a cost-sharing multiple-employer defined pension plan as provided by K.S.A. 74-4901 *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100, Topeka KS 66604-4024) or by calling 1-888-275-5737.

*Funding policy.* K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414 (h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 6.37% of covered payroll for July 1, 2010 to June 30, 2011. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for (school Municipality) employees for the years ending June 30, 2011, 2010 and 2009 were \$246,716,532, \$248,468,186, and \$242,277,563, respectively, equal to the required contributions for each year. Contributions from employees of District No. 109 for the years ended June 30, 2011 and 2010 were \$109,390 and \$101,479, respectively.

**UNIFIED SCHOOL DISTRICT NO. 109**  
Belleville, Kansas

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2011

**NOTE H- LONG-TERM DEBT**

Changes in long-term liabilities for the district for the year ended June 30, 2011, were as follows:

**STATEMENT OF CHANGES IN LONG TERM DEBT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Principal Outstanding	Additions To Principal	Reductions Of Principal	Net Change In Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds										
Series 1999-A	4.00 - 5.50%	01/01/99	\$ 675,000	09/01/14	\$ 295,000	\$ 0	\$ 55,000	\$ 0	\$ 240,000	\$ 12,320

**SCHEDULE OF MATURITY OF LONG-TERM DEBT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	2011	2012	2013	2014	2015	TOTAL
<b>PRINCIPAL</b>						
General Obligation Bonds	\$ 55,000	\$ 55,000	\$ 60,000	\$ 60,000	\$ 65,000	\$ 295,000
Total Principal	55,000	55,000	60,000	60,000	65,000	295,000
Interest General Obligation Bonds	12,320	9,873	7,255	4,465	1,528	35,441
Total Interest	12,320	9,873	7,255	4,465	1,528	35,441

UNIFIED SCHOOL DISTRICT NO. 109  
Belleville, Kansas

NOTES TO FINANCIAL STATEMENTS  
June 30, 2011

NOTE I - 2010 FINANCIAL DATA

The amounts shown for 2010 in the accompanying statutory basis financial statements and these notes to financial statements are included, where practicable, only to provide a basis for comparison with 2011 and are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles.

NOTE J - RISK FINANCING AND RELATED INSURANCE ISSUES

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters. The District has elected to transfer to a third party the cost of health services. The plan is a contributory plan where the district and the employees contribute to the cost thru premiums.

The District continues to carry insurance for all other risks of loss including workers compensation. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past two years.

**UNIFIED SCHOOL DISTRICT NO. 109**  
**Belleville, Kansas**

**SUPPLEMENTAL INFORMATION**

Republic County Unified School District No. 109  
Belleville, Kansas  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Fiscal Year Ended June 30, 2011

				Unencumbered Cash At <u>7/1/10</u> Beginning Balance At 7/1/10		Receipts		Expenditures	Unencumbered Cash At <u>6/30/11</u> Ending Balance At 6/30/11
Federal CFDA Number	Pass-Thru Grantor's Number	Program or Award Amount							
<u>U.S. Department of Agriculture</u>									
Passed thru State Department of Education:									
Food Assistance - Breakfast	D0109	18,515.50		\$ 0.00	\$ 18,515.50		\$ 18,515.50		\$ 0.00
Food Assistance - Lunch	D0109	122,894.50		0.00	<u>122,894.50</u>		<u>122,894.50</u>		<u>0.00</u>
Total U.S. Dept. of Agriculture				<u>\$ 0.00</u>	<u>\$ 141,410.00</u>		<u>\$ 141,410.00</u>		<u>\$ 0.00</u>
<u>U.S. Department of Education</u>									
Passed thru State Department of Education:									
Title I	D0109	94,482.00		\$ 0.00	\$ 94,482.00		\$ 94,482.00		\$ 0.00
ARRA - Title I	D0109	62,830.00		0.00	62,830.00		62,830.00		0.00
Title IID	D0109	319.00		0.00	319.00		319.00		0.00
Title IIA	D0109	42,829.00		0.00	42,829.00		42,829.00		0.00
Education Jobs Fund	D0109	117,484.00		0.00	117,484.00		117,484.00		0.00
ARRA - Stabilization -- 2009	D0109	67,095.00		0.00	67,095.00		67,095.00		0.00
Direct Programs:									
REAP Grant	N/A	17,710.00		0.00	<u>17,710.00</u>		<u>17,710.00</u>		<u>0.00</u>
Total U.S. Dept of Education				<u>\$ 0.00</u>	<u>\$ 402,749.00</u>		<u>\$ 402,749.00</u>		<u>\$ 0.00</u>
Total Federal Assistance				<u>\$ 0.00</u>	<u>\$ 544,159.00</u>		<u>\$ 544,159.00</u>		<u>\$ 0.00</u>

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

Republic County Unified School District No. 109  
Belleville, Kansas  
Notes to the Schedule of Expenditures of Federal Awards  
June 30, 2011

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Republic County Unified School District No. 109 and is presented on the statutory basis of accounting to demonstrate compliance with the cash basis and budget laws of the State of Kansas. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133.

W. Rex Woods  
Certified Public Accountant  
1805 N Street  
Belleville, Kansas 66935  
(785) 527-5623

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*

Board of Education  
Republic County U.S.D. #109  
Belleville, Kansas 66935

We have audited the financial statements of Republic County U.S.D. #109, Belleville, Kansas, as of and for the year ended June 30, 2011, and have issued our report thereon dated September 16, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the guidance in *the Kansas Municipal Audit Guide*, 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 Republic County U.S.D. #109's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Republic County U.S.D. #109's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Republic County U.S.D. #109'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*.

We noted certain matters that we have reported to the management of Republic County U.S.D. 109, Belleville, Kansas, in a separate letter dated September 16, 2011.

This report is intended solely for the information and use of management, board of education, 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. However, this report is a matter of public record and its distribution is not limited.

September 16, 2011



W. Rex Woods, C.P.A.

W. Rex Woods  
Certified Public Accountant  
1805 N Street  
Belleville, Kansas 66935  
(785) 527-5623

Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board of Education  
Republic County U.S.D. #109  
Belleville, Kansas 66935

Compliance

We have audited Republic County U.S.D. #109, Belleville, Kansas's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2011. Republic County U.S.D. #109'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 Republic County U.S.D. #109's management. Our responsibility is to express an opinion on Republic County U.S.D.'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 guidance in the *Kansas Municipal Audit Guide*; 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. 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 Republic County U.S.D. #109'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 on Republic County U.S.D. #109's compliance with those requirements.

In our opinion, Republic County U.S.D. #109 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Republic County U.S.D. #109 is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts,

and grants applicable to federal programs. In planning and performing our audit, we considered Republic County U.S.D. #109's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, board of education, 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. However, this report is a matter of public record and its distribution is not limited.

September 16, 2011

  
W. Rex Woods, C.P.A.

Republic County Unified School District No. 109  
Belleville, Kansas

Schedule of Findings and Questioned Costs  
June 30, 2011

**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? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified? 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

Major programs:

<u>CFDA Numbers:</u>	<u>Name of Federal Program or Cluster</u>
84.394	ARRA – Stabilization - 2009
84.410	Education Jobs Fund
84.010	Title 1
84.389	ARRA – Title 1

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

Auditee qualified as low-risk auditee? No

**Financial Statement Findings**

There are no findings reported.

**Federal Award Findings and Questioned costs**

There are no findings reported.

Republic County Unified School District No. 109  
Belleville, Kansas

Resolution of Prior Year Audit Findings  
June 30, 2011

There were no prior year audit findings cited in the previously issued report for Unified School District No. 109 for the year ended June 30, 2010.