

UNIFIED SCHOOL DISTRICT NO. 202

Kansas City, Kansas

Financial Statements

For the Year Ended June 30, 2011

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UNIFIED SCHOOL DISTRICT NO. 202
Financial Statements
For the Year Ended June 30, 2011

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Financial Statements
For the Year Ended June 30, 2011

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LOWENTHAL, WEBB & ODERMANN, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

900 Massachusetts, Suite 301
Lawrence, Kansas 66044-2868
Phone: (785) 749-5050
Fax: (785) 749-5061
Website: www.lswwcpa.com

David A. Lowenthal, CPA
Patricia L. Webb, CPA
Audrey M. Odermann, CPA

Abram M. Chrislip, CPA
Caroline H. Eddinger, CPA
Grant A. Huddin, CPA
Brian W. Nyp, CPA

Members of American Institute
and Kansas Society of
Certified Public Accountants

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

Board of Education
Unified School District No. 202
Kansas City, Kansas

We have audited the financial statements of Unified School District No. 202 (the District), Kansas City, 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 an opinion on these financial statements based on our audit. The prior year partial comparative information has been derived from the District's financial statements for the year ended June 30, 2010. In our report dated October 14, 2010 on these financial statements, we expressed an adverse opinion as to presentation on the basis of generally accepted accounting principles and a qualified opinion as to presentation on the Kansas prescribed basis of accounting.

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 and "Kansas Municipal Audit Guide." 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. 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 opinion.

As described in Note 1, the District prepares its financial statements on a prescribed basis of accounting which demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effect on the financial statements of those differences is also described in Note 1.

In our opinion, because of the District's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the District as of June 30, 2011, or the respective changes in financial position thereof for the year then ended.

Also, in our opinion, except for the July, 2011, receipt of the final state aid payment for the fiscal year ended June 30, 2011 being recorded in June, 2011, the financial statements referred to above present fairly, in all material respects, the fund cash and unencumbered cash balances of the District as of June 30, 2011, and its cash receipts and expenditures by fund, and fund budget to actual comparisons, for the year then ended, taken as a whole, on the prescribed basis of accounting described in Note 1.

The financial statements include partial prior-year comparative information. Such information does not include all of the information required for a presentation in conformity with the Kansas prescribed basis of accounting. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2010, from which such partial information was derived.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 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, and 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 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 performed for the purpose of forming an opinion on the financial statements of the District taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose 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 not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Lowenthal, Wett & Odermann, P.A.

October 24, 2011

UNIFIED SCHOOL DISTRICT NO. 202
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2011

Fund	Beginning Unencumbered Cash Balance	Prior-Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ -	\$ -	\$ 24,995,765	\$ 24,877,485	\$ 118,280	\$ 92,244	\$ 210,524
Special Revenue Funds:							
Supplemental General	187,443	-	8,593,044	8,337,980	442,507	284,544	727,051
At-Risk (4 Year Old)	30,023	-	236,603	233,032	33,594	-	33,594
At-Risk (K-12)	212,977	-	5,414,943	5,322,170	305,750	43,466	349,216
Bilingual Education	61,022	-	456,153	456,155	61,020	179	61,199
Capital Outlay	1,301,378	-	4,590,939	3,210,047	2,682,270	814,335	3,496,605
Food Service	698,042	-	2,109,826	1,976,445	831,423	-	831,423
Special Education	741,637	-	5,856,494	5,556,276	1,041,855	24,476	1,066,331
Professional Development	9,099	-	-	9,099	-	-	-
Vocational Education	83,300	-	455,346	455,346	83,300	711	84,011
Parent Education Program	58,084	-	122,602	101,819	78,867	12,265	91,132
Student Material Revolving	166,738	-	500,420	153,368	513,790	134,151	647,941
KPERs Special Retirement Contribution	-	-	1,569,165	1,569,165	-	-	-
Federal Grants	65,993	-	1,754,492	1,851,007	[30,522]	67,778	37,256
District Activity	58,269	-	72,775	78,925	52,119	-	52,119
Contingency Reserve	1,198,347	-	317,522	24,888	1,490,981	1,740	1,492,721
Aquatic	-	-	183,499	158,710	24,789	1,824	26,613
Debt Service Funds:							
Bond and Interest	4,901,606	-	3,339,905	3,761,905	4,479,606	-	4,479,606
Private Purpose Trust Funds:							
Donations and Grants	<u>81,082</u>	<u>-</u>	<u>12,075</u>	<u>56,671</u>	<u>36,486</u>	<u>344</u>	<u>36,830</u>
Total Primary Government	<u>9,855,040</u>	<u>-</u>	<u>60,581,568</u>	<u>58,190,493</u>	<u>12,246,115</u>	<u>1,478,057</u>	<u>13,724,172</u>
Component Unit:							
Recreation Commission							
General Fund	629,846	-	1,217,735	1,084,397	763,184	22,614	785,798
Employee Benefits Fund	155,199	-	142,516	162,364	135,351	-	135,351
Operating Funds	<u>27,335</u>	<u>-</u>	<u>47,819</u>	<u>51,790</u>	<u>23,364</u>	<u>-</u>	<u>23,364</u>
Total Component Unit	<u>812,380</u>	<u>-</u>	<u>1,408,070</u>	<u>1,298,551</u>	<u>921,899</u>	<u>22,614</u>	<u>944,513</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 10,667,420</u>	<u>\$ -</u>	<u>\$ 61,989,638</u>	<u>\$ 59,489,044</u>	<u>\$ 13,168,014</u>	<u>\$ 1,500,671</u>	<u>\$ 14,668,685</u>

Composition of Cash

Brotherhood Bank	
Checking Account-District	\$ 8,606,750
Food Service Account-District	831,423
Money Market Account-District	4,244,000
Recreation Commission-Operating Funds	23,364
Petty Cash Account-District	1,040
Checking Accounts-Activity Funds	243,338
Recreation Commission	<u>921,149</u>
Total Cash	14,871,064
Less Agency Funds per Statement 4	<u>[202,379]</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 14,668,685</u>

STATEMENT 2

UNIFIED SCHOOL DISTRICT NO. 202
 Summary of Expenditures - Actual and Budget
 (Budgeted Funds Only)
 For the Year Ended June 30, 2011

Fund	Total Budget	Adjustment to Comply with Legal Maximum Budget	Adjustment For Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Positive [Negative]
General Fund	\$24,879,214	\$ [29,518]	\$ 27,789	\$24,877,485	\$ 24,877,485	\$ -
Special Revenue Funds:						
Supplemental General	8,337,980	-	-	8,337,980	8,337,980	-
At-Risk (4 Year Old)	271,310	-	-	271,310	233,032	38,278
At-Risk (K-12)	6,133,697	-	-	6,133,697	5,322,170	811,527
Bilingual Education	479,887	-	-	479,887	456,155	23,732
Capital Outlay	4,111,098	-	-	4,111,098	3,210,047	901,051
Food Service	2,162,266	-	-	2,162,266	1,976,445	185,821
Special Education	5,736,090	-	-	5,736,090	5,556,276	179,814
Professional Development	9,100	-	-	9,100	9,099	1
Vocational Education	543,552	-	-	543,552	455,346	88,206
Parent Education Program	138,466	-	-	138,466	101,819	36,647
KPERS Special Retirement Contribution	2,102,783	-	-	2,102,783	1,569,165	533,618
Federal Grants	1,902,680	-	-	1,902,680	1,851,007	51,673
Bond and Interest	3,761,905	-	-	3,761,905	3,761,905	-
Recreation Commission Funds:						
General Fund	1,257,348	-	-	1,257,348	1,084,397	172,951
Employee Benefits Fund	188,845	-	-	188,845	162,364	26,481

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
General Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 2,384,837	\$ 2,250,028	\$ 2,084,198	\$ 165,830
Delinquent tax	56,832	76,610	96,766	[20,156]
In lieu of taxes - I. R. B.'s	38,211	52,435	34,132	18,303
Federal aid	1,184,459	1,226,782	445,941	780,841
State aid	21,252,187	21,362,121	22,218,177	[856,056]
Reimbursed expense	18,152	27,789	-	27,789
Total Cash Receipts	<u>24,934,678</u>	<u>24,995,765</u>	<u>\$ 24,879,214</u>	<u>\$ 116,551</u>
Expenditures and Transfers				
Instruction	6,682,550	7,606,013	\$ 8,516,382	\$ 910,369
Student support services	622,810	536,803	624,300	87,497
Instructional support staff	428,742	415,679	446,000	30,321
General administration	915,674	814,849	771,800	[43,049]
School administration	1,660,363	1,791,416	1,692,500	[98,916]
Other support services	168,593	166,231	172,100	5,869
Operations and maintenance	2,712,925	2,710,188	2,809,000	98,812
Transportation	899,863	926,211	968,500	42,289
Capital outlay	240	-	-	-
Transfers out	10,842,918	9,910,095	8,878,632	[1,031,463]
Adjustment to comply with legal max	-	-	[29,518]	[29,518]
Adjustment for qualifying budget credit	-	-	27,789	27,789
Total Expenditures and Transfers	<u>24,934,678</u>	<u>24,877,485</u>	<u>\$ 24,877,485</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	-	118,280		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 118,280</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Supplemental General Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 3,232,141	\$ 3,405,097	\$ 3,672,964	\$ [267,867]
Delinquent tax	54,631	61,307	133,245	[71,938]
Motor and recreational vehicle tax	288,748	300,941	290,403	10,538
In lieu of taxes - I. R. B.'s	46,543	68,403	40,107	28,296
Federal aid	1,158,352	-	-	-
State aid	3,409,327	4,757,296	4,772,860	[15,564]
Total Cash Receipts	8,189,742	8,593,044	\$ 8,909,579	\$ [316,535]
Expenditures and Transfers :				
Instruction	2,017,198	1,136,835	\$ 1,052,000	\$ [84,835]
General administration	406,258	410,517	440,000	29,483
School administration	120,280	-	-	-
Other support services	723,818	594,287	775,320	181,033
Operations and maintenance	1,360,889	1,366,940	1,565,000	198,060
Transportation	212,099	199,148	-	[199,148]
Vehicle operating services	-	-	260,322	260,322
Transfers out	3,360,458	4,630,253	4,245,338	[384,915]
Total Expenditures and Transfers	8,201,000	8,337,980	\$ 8,337,980	\$ -
Receipts Over [Under] Expenditures	[11,258]	255,064		
Unencumbered Cash, Beginning	198,701	187,443		
Unencumbered Cash, Ending	<u>\$ 187,443</u>	<u>\$ 442,507</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
At Risk (4 Year Old) Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Transfers in	<u>\$ 255,212</u>	<u>\$ 236,603</u>	<u>\$ 260,000</u>	<u>\$ [23,397]</u>
Total Cash Receipts	<u>255,212</u>	<u>236,603</u>	<u>\$ 260,000</u>	<u>\$ [23,397]</u>
Expenditures and Transfers				
Instruction	126,736	125,317	\$ 132,600	\$ 7,283
Instructional support services	27,565	29,234	34,990	5,756
General administration	320	288	-	[288]
School administration	25,037	25,453	30,480	5,027
Operations and maintenance	32,993	21,035	33,080	12,045
Student transportation services	-	-	15,000	15,000
Student support services	<u>32,538</u>	<u>31,705</u>	<u>25,160</u>	<u>[6,545]</u>
Total Expenditures and Transfers	<u>245,189</u>	<u>233,032</u>	<u>\$ 271,310</u>	<u>\$ 38,278</u>
Receipts Over [Under] Expenditures	10,023	3,571		
Unencumbered Cash, Beginning	<u>20,000</u>	<u>30,023</u>		
Unencumbered Cash, Ending	<u>\$ 30,023</u>	<u>\$ 33,594</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
At Risk (K-12) Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Tuition	\$ -	\$ -	\$ 4,000	\$ [4,000]
Transfers in	5,851,365	5,382,737	6,081,720	[698,983]
Miscellaneous	57,057	32,206	50,000	[17,794]
Total Cash Receipts	<u>5,908,422</u>	<u>5,414,943</u>	<u>\$ 6,135,720</u>	<u>\$ [720,777]</u>
Expenditures and Transfers				
Instruction	4,918,972	4,627,090	\$ 5,327,447	\$ 700,357
Student support services	343,921	294,540	351,000	56,460
School administration	263,667	195,868	252,750	56,882
Vehicle operating services	65,612	82,108	72,400	[9,708]
Operations and maintenance	123,543	122,564	130,100	7,536
Total Expenditures and Transfers	<u>5,715,715</u>	<u>5,322,170</u>	<u>\$ 6,133,697</u>	<u>\$ 811,527</u>
Receipts Over [Under] Expenditures	192,707	92,773		
Unencumbered Cash, Beginning	<u>20,270</u>	<u>212,977</u>		
Unencumbered Cash, Ending	<u>\$ 212,977</u>	<u>\$ 305,750</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Bilingual Education Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Transfers in	<u>\$ 479,568</u>	<u>\$ 456,153</u>	<u>\$ 480,000</u>	<u>\$ [23,847]</u>
Total Cash Receipts	<u>479,568</u>	<u>456,153</u>	<u>\$ 480,000</u>	<u>\$ [23,847]</u>
Expenditures and Transfers				
Instruction	<u>466,565</u>	<u>456,155</u>	<u>\$ 479,887</u>	<u>\$ 23,732</u>
Total Expenditures and Transfers	<u>466,565</u>	<u>456,155</u>	<u>\$ 479,887</u>	<u>\$ 23,732</u>
Receipts Over [Under] Expenditures	13,003	[2]		
Unencumbered Cash, Beginning	<u>48,019</u>	<u>61,022</u>		
Unencumbered Cash, Ending	<u>\$ 61,022</u>	<u>\$ 61,020</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Capital Outlay Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 1,058,355	\$ 1,009,467	\$ 936,282	\$ 73,185
Delinquent tax	22,225	34,508	43,107	[8,599]
In lieu of taxes - I.R.B.'s	15,284	20,974	15,092	5,882
Motor vehicle tax	117,348	112,876	108,374	4,502
Recreational vehicle tax	959	895	990	[95]
Investment income	49,684	41,822	48,000	[6,178]
Miscellaneous	3,008,606	387,621	204,785	182,836
Lease proceeds	39,184	58,776	-	58,776
Transfers in	2,247,758	2,924,000	1,750,000	1,174,000
Total Cash Receipts	6,559,403	4,590,939	\$ 3,106,630	\$ 1,484,309
Expenditures and Transfers				
Instruction	551,150	271,521	\$ 879,200	\$ 607,679
Operations and maintenance	3,072,275	921,406	882,605	[38,801]
Central support services	-	-	3,500	3,500
Student activities	3,579	-	-	-
Other expenses	-	-	716,982	716,982
Debt service	1,185,291	1,204,417	1,204,416	[1]
Facility acquisition and construction services	1,550,850	812,703	424,395	[388,308]
Total Expenditures and Transfers	6,363,145	3,210,047	\$ 4,111,098	\$ 901,051
Receipts Over [Under] Expenditures	196,258	1,380,892		
Unencumbered Cash, Beginning	1,105,120	1,301,378		
Unencumbered Cash, Ending	\$ 1,301,378	\$ 2,682,270		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Food Service Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Federal aid	\$ 1,467,114	\$ 1,607,870	\$ 1,399,222	\$ 208,648
State aid	43,971	22,380	17,634	4,746
Charges for services	488,300	467,084	494,505	[27,421]
Investment income	2,501	2,554	2,500	54
Miscellaneous	<u>18,329</u>	<u>9,938</u>	<u>17,000</u>	<u>[7,062]</u>
Total Cash Receipts	<u>2,020,215</u>	<u>2,109,826</u>	<u>\$ 1,930,861</u>	<u>\$ 178,965</u>
Expenditures and Transfers				
Food service operation	<u>1,813,933</u>	<u>1,976,445</u>	<u>\$ 2,162,266</u>	<u>\$ 185,821</u>
Total Expenditures and Transfers	<u>1,813,933</u>	<u>1,976,445</u>	<u>\$ 2,162,266</u>	<u>\$ 185,821</u>
Receipts Over [Under] Expenditures	206,282	133,381		
Unencumbered Cash, Beginning	<u>491,760</u>	<u>698,042</u>		
Unencumbered Cash, Ending	<u>\$ 698,042</u>	<u>\$ 831,423</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Special Education Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
State aid	\$ 172,148	\$ 261,559	\$ 135,000	\$ 126,559
Federal aid	1,360,375	1,185,541	1,355,000	[169,459]
Miscellaneous	309,674	119,033	140,000	[20,967]
Transfers in	<u>4,143,267</u>	<u>4,290,361</u>	<u>4,060,000</u>	<u>230,361</u>
Total Cash Receipts	<u>5,985,464</u>	<u>5,856,494</u>	<u>\$ 5,690,000</u>	<u>\$ 166,494</u>
Expenditures and Transfers				
Instruction	4,888,325	4,839,956	\$ 5,000,300	\$ 160,344
Student support services	20,550	94,057	21,540	[72,517]
General administration	216,446	199,858	205,700	5,842
Operations and maintenance	-	-	50,000	50,000
Transportation	-	-	27,260	27,260
Other supplemental services	352,523	360,490	-	[360,490]
Vehicle operating services	<u>208,156</u>	<u>61,915</u>	<u>431,290</u>	<u>369,375</u>
Total Expenditures and Transfers	<u>5,686,000</u>	<u>5,556,276</u>	<u>\$ 5,736,090</u>	<u>\$ 179,814</u>
Receipts Over [Under] Expenditures	299,464	300,218		
Unencumbered Cash, Beginning	<u>442,173</u>	<u>741,637</u>		
Unencumbered Cash, Ending	<u>\$ 741,637</u>	<u>\$ 1,041,855</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Professional Development Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Transfers in	\$ 6,618	\$ -	\$ -	\$ -
Total Cash Receipts	<u>6,618</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures and Transfers				
Instruction	<u>9,287</u>	<u>9,099</u>	<u>\$ 9,100</u>	<u>\$ 1</u>
Total Expenditures and Transfers	<u>9,287</u>	<u>9,099</u>	<u>\$ 9,100</u>	<u>\$ 1</u>
Receipts Over [Under] Expenditures	[2,669]	[9,099]		
Unencumbered Cash, Beginning	<u>11,768</u>	<u>9,099</u>		
Unencumbered Cash, Ending	<u>\$ 9,099</u>	<u>\$ -</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Vocational Education Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Transfers in	\$ 466,331	\$ 409,136	\$ 450,000	\$ [40,864]
Federal aid	47,437	46,210	45,402	808
Total Cash Receipts	<u>513,768</u>	<u>455,346</u>	<u>\$ 495,402</u>	<u>\$ [40,056]</u>
Expenditures and Transfers				
Instruction	441,443	409,136	\$ 448,150	\$ 39,014
Student support services	-	-	50,000	50,000
Instructional support staff	47,872	46,210	45,402	[808]
Total Expenditures and Transfers	<u>489,315</u>	<u>455,346</u>	<u>\$ 543,552</u>	<u>\$ 88,206</u>
Receipts Over [Under] Expenditures	24,453	-		
Unencumbered Cash, Beginning	<u>58,847</u>	<u>83,300</u>		
Unencumbered Cash, Ending	<u>\$ 83,300</u>	<u>\$ 83,300</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Parent Education Program Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
State aid	\$ 144,064	\$ 98,766	\$ 80,000	\$ 18,766
Transfers in	<u>53,257</u>	<u>23,836</u>	<u>42,250</u>	<u>[18,414]</u>
Total Cash Receipts	<u>197,321</u>	<u>122,602</u>	<u>\$ 122,250</u>	<u>\$ 352</u>
Expenditures and Transfers				
Student support services	169,642	101,819	\$ 123,466	\$ 21,647
Other supplemental service	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>15,000</u>
Total Expenditures and Transfers	<u>169,642</u>	<u>101,819</u>	<u>\$ 138,466</u>	<u>\$ 36,647</u>
Receipts Over [Under] Expenditures	27,679	20,783		
Unencumbered Cash, Beginning	<u>30,405</u>	<u>58,084</u>		
Unencumbered Cash, Ending	<u>\$ 58,084</u>	<u>\$ 78,867</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual
Student Material Revolving Fund *
For the Year Ended June 30, 2011 and 2010

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Charges for services	\$ 16,313	\$ 420
Transfer in	<u>150,000</u>	<u>500,000</u>
 Total Cash Receipts	 <u>166,313</u>	 <u>500,420</u>
 Expenditures and Transfers		
Instruction	<u>111,850</u>	<u>153,368</u>
 Total Expenditures and Transfers	 <u>111,850</u>	 <u>153,368</u>
 Receipts Over [Under] Expenditures	 54,463	 347,052
 Unencumbered Cash, Beginning	 <u>112,275</u>	 <u>166,738</u>
 Unencumbered Cash, Ending	 <u><u>\$ 166,738</u></u>	 <u><u>\$ 513,790</u></u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
KPERs Special Retirement Contribution Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
State aid	\$ 1,828,506	\$ 1,569,165	\$ 2,102,783	\$ [533,618]
Total Cash Receipts	<u>1,828,506</u>	<u>1,569,165</u>	<u>\$ 2,102,783</u>	<u>\$ [533,618]</u>
Expenditures and Transfers				
Instruction	1,210,127	1,065,820	\$ 1,395,703	\$ 329,883
Student support services	70,440	56,064	81,006	24,942
Instructional support staff	27,253	19,988	27,254	7,266
General administration	70,777	56,082	81,394	25,312
School administration	137,234	111,919	157,819	45,900
Other support services	38,172	30,519	43,898	13,379
Operations and maintenance	156,097	134,634	179,512	44,878
Transportation	66,273	53,224	76,214	22,990
Food service	<u>52,133</u>	<u>40,915</u>	<u>59,983</u>	<u>19,068</u>
Total Expenditures and Transfers	<u>1,828,506</u>	<u>1,569,165</u>	<u>\$ 2,102,783</u>	<u>\$ 533,618</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Federal Grants Fund
For the Year Ended June 30, 2011

	Low Income Title I	School Improvement	Title IID	Title IIA	Homeless Transportation
Cash Receipts					
Federal aid	\$ 1,019,040	\$ -	\$ 8,569	\$ 184,741	\$ 19,152
Total Cash Receipts	<u>1,019,040</u>	<u>-</u>	<u>8,569</u>	<u>184,741</u>	<u>19,152</u>
Expenditures and Transfers					
Instruction	1,043,458	1,003	-	-	683
Transportation	<u>10,159</u>	<u>-</u>	<u>7,034</u>	<u>153,184</u>	<u>16,327</u>
Total Expenditures and Transfers	<u>1,053,617</u>	<u>1,003</u>	<u>7,034</u>	<u>153,184</u>	<u>17,010</u>
Receipts Over [Under] Expenditures	[34,577]	[1,003]	1,535	31,557	2,142
Unencumbered Cash, Beginning	<u>[25,957]</u>	<u>2,477</u>	<u>[1,535]</u>	<u>[19,254]</u>	<u>[951]</u>
Unencumbered Cash, Ending	<u>\$ [60,534]</u>	<u>\$ 1,474</u>	<u>\$ -</u>	<u>\$ 12,303</u>	<u>\$ 1,191</u>

Title IV Drug Free FY10	ARRA Title IID	ARRA Title I	Title III	Actual	Budget	Variance Positive [Negative]
\$ 13,978	\$ 3,670	\$ 438,296	\$ 67,046	\$ 1,754,492	\$ 1,832,118	\$ [77,626]
<u>13,978</u>	<u>3,670</u>	<u>438,296</u>	<u>67,046</u>	<u>1,754,492</u>	<u>\$ 1,832,118</u>	<u>\$ [77,626]</u>
-	4,851	546,913	-	1,596,908	\$ 1,879,690	\$ 282,782
<u>7,337</u>	<u>-</u>	<u>1,256</u>	<u>58,802</u>	<u>254,099</u>	<u>22,990</u>	<u>[231,109]</u>
<u>7,337</u>	<u>4,851</u>	<u>548,169</u>	<u>58,802</u>	<u>1,851,007</u>	<u>\$ 1,902,680</u>	<u>\$ 51,673</u>
6,641	[1,181]	[109,873]	8,244	[96,515]		
<u>[2,225]</u>	<u>1,181</u>	<u>109,873</u>	<u>2,384</u>	<u>65,993</u>		
<u>\$ 4,416</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,628</u>	<u>\$ [30,522]</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual
Contingency Reserve Fund *
For the Year Ended June 30, 2011 and 2010

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts and Transfers		
Transfers in	<u>\$ 550,000</u>	<u>\$ 317,522</u>
 Total Cash Receipts and Transfers	 <u>550,000</u>	 <u>317,522</u>
 Expenditures and Transfers		
Operations and maintenance	<u>153,114</u>	<u>24,888</u>
 Total Expenditures and Transfers	 <u>153,114</u>	 <u>24,888</u>
 Receipts Over [Under] Expenditures	 396,886	 292,634
 Unencumbered Cash, Beginning	 <u>801,461</u>	 <u>1,198,347</u>
 Unencumbered Cash, Ending	 <u>\$ 1,198,347</u>	 <u>\$ 1,490,981</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Bond and Interest Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 1,338,257	\$ 1,377,273	\$ 1,274,277	\$ 102,996
Delinquent tax	40,183	38,510	53,609	[15,099]
Motor and recreational vehicle tax	193,603	169,865	162,089	7,776
In lieu of taxes - I. R. B.'s	19,405	60,566	22,365	38,201
Miscellaneous	-	833	-	833
Investment income	1,608	-	-	-
Debt proceeds	2,719,836	-	-	-
State aid	1,590,806	1,692,858	1,692,857	1
Total Cash Receipts	5,903,698	3,339,905	\$ 3,205,197	\$ 134,708
Expenditures and Transfers				
Principal	4,615,000	2,340,000	\$ 2,340,000	\$ -
Interest	1,804,693	1,421,905	1,421,905	-
Total Expenditures and Transfers	6,419,693	3,761,905	\$ 3,761,905	\$ -
Receipts Over [Under] Expenditures	[515,995]	[422,000]		
Unencumbered Cash, Beginning	5,417,601	4,901,606		
Unencumbered Cash, Ending	<u>\$ 4,901,606</u>	<u>\$ 4,479,606</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual
Donations and Grants Fund *
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	T-CEP Grant	Part H FSC Grant	Current Development Grant	TEPCEK	Career Opportunity Grant	Summer School Grant	Parents As Teachers	Misc	Art Waugh Scholarship Fund	Youth Friends Grant	Make a Difference Grant	Tri-C Grant
Cash Receipts												
Other grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,340	\$ 7,808	\$ -	\$ -	\$ 427
Total Cash Receipts	-	-	-	-	-	-	-	1,340	7,808	-	-	427
Expenditures and Transfers												
Instruction	-	-	-	-	-	-	-	1,919	15,881	-	5,954	-
Total Expenditures and Transfers	-	-	-	-	-	-	-	1,919	15,881	-	5,954	-
Receipts Over [Under] Expenditures	-	-	-	-	-	-	-	[579]	[8,073]	-	[5,954]	427
Unencumbered Cash, Beginning	[1,502]	983	[773]	2,153	371	[1,924]	[907]	[3,330]	8,073	[8,660]	16,042	5,632
Unencumbered Cash, Ending	\$ [1,502]	\$ 983	\$ [773]	\$ 2,153	\$ 371	\$ [1,924]	\$ [907]	\$ [3,909]	\$ -	\$ [8,660]	\$ 10,088	\$ 6,059

* These funds are not required to be budgeted.

Sprint Grant	Wyandotte Prevention	Emergency Immigrant Grant	P J H Grant	Urban Excellence	Goals 2001 Title I	Kauffman Fdn Grant	Muncie Grant	Christa McAuliffe Grant	USA Funds	Short Term Suspension Program	Current Year Totals	Prior Year Totals
\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,075	\$ 36,607
-	-	-	-	2,500	-	-	-	-	-	-	12,075	36,607
-	-	-	-	3,373	-	-	-	-	900	28,644	56,671	58,828
-	-	-	-	3,373	-	-	-	-	900	28,644	56,671	58,828
-	-	-	-	[873]	-	-	-	-	[900]	[28,644]	[44,596]	[22,221]
177	-	288	68	1,132	[387]	2,155	5,895	46	13,500	42,050	81,082	103,303
<u>\$ 177</u>	<u>\$ -</u>	<u>\$ 288</u>	<u>\$ 68</u>	<u>\$ 259</u>	<u>\$ [387]</u>	<u>\$ 2,155</u>	<u>\$ 5,895</u>	<u>\$ 46</u>	<u>\$ 12,600</u>	<u>\$ 13,406</u>	<u>\$ 36,486</u>	<u>\$ 81,082</u>

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual
Aquatic Fund *
For the Year Ended June 30, 2011

Cash Receipts	
Charges for services	\$ 36,032
Reimbursements	129,130
Miscellaneous	<u>18,337</u>
Total Cash Receipts	<u>183,499</u>
Expenditures and Transfers	
Student activities	<u>158,710</u>
Total Expenditures and Transfers	<u>158,710</u>
Receipts Over [Under] Expenditures	24,789
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 24,789</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Recreation Commission General Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 793,657	\$ 755,764	\$ 702,250	\$ 53,514
Delinquent tax	10,732	18,296	32,331	[14,035]
Motor and recreational vehicle tax	67,399	85,270	82,024	3,246
In lieu of taxes - I. R. B.'s	11,463	15,730	11,326	4,404
Investment income	3,605	2,579	-	2,579
Charges for services	296,451	340,096	429,328	[89,232]
Total Cash Receipts	1,183,307	1,217,735	\$ 1,257,259	\$ [39,524]
Expenditures and Transfers				
Support services	153,598	130,725	\$ -	\$ [130,725]
General administration	65,859	129,040	-	[129,040]
Community service operations	197,555	248,026	1,257,348	1,009,322
Facility acquisition and construction services	692,550	576,606	-	[576,606]
Total Expenditures and Transfers	1,109,562	1,084,397	\$ 1,257,348	\$ 172,951
Receipts Over [Under] Expenditures	73,745	133,338		
Unencumbered Cash, Beginning	556,101	629,846		
Unencumbered Cash, Ending	\$ 629,846	\$ 763,184		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual and Budget
Recreation Commission Employee Benefits Fund
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 54,897	\$ 121,688	\$ 113,058	\$ 8,630
Delinquent tax	2,330	3,121	1,913	1,208
Motor and recreational vehicle tax	16,388	15,330	14,396	934
In lieu of taxes - I. R. B.'s	<u>821</u>	<u>2,377</u>	<u>1,986</u>	<u>391</u>
Total Cash Receipts	<u>74,436</u>	<u>142,516</u>	<u>\$ 131,353</u>	<u>\$ 11,163</u>
Expenditures and Transfers				
Community service operations	<u>162,929</u>	<u>162,364</u>	<u>\$ 188,845</u>	<u>\$ 26,481</u>
Total Expenditures and Transfers	<u>162,929</u>	<u>162,364</u>	<u>\$ 188,845</u>	<u>\$ 26,481</u>
Receipts Over [Under] Expenditures	[88,493]	[19,848]		
Unencumbered Cash, Beginning	<u>243,692</u>	<u>155,199</u>		
Unencumbered Cash, Ending	<u>\$ 155,199</u>	<u>\$ 135,351</u>		

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts and Expenditures - Actual
Recreation Commission Operating Funds *
For the Year Ended June 30, 2011 and 2010

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Main checking account	\$ 103,993	\$ 47,819
Total Cash Receipts	<u>103,993</u>	<u>47,819</u>
Expenditures and Transfers		
Main checking account	<u>105,769</u>	<u>51,790</u>
Total Expenditures and Transfers	<u>105,769</u>	<u>51,790</u>
Receipts Over [Under] Expenditures	[1,776]	[3,971]
Unencumbered Cash, Beginning	<u>29,111</u>	<u>27,335</u>
Unencumbered Cash, Ending	<u>\$ 27,335</u>	<u>\$ 23,364</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts, Cash Disbursements and Cash
Student Organization and Other Agency Funds
For the Year Ended June 30, 2011

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Turner Early Learning Center				
Bank Interest	\$ 24	\$ 26	\$ -	\$ 50
School Fund	4,522	7,662	4,515	7,669
Field Trips	544	6,190	5,994	740
Staff Fund	-	956	733	223
Dreamkeepers	-	310	188	122
Petty Cash	101	597	585	113
Subtotal Early Learning Center	<u>5,191</u>	<u>15,741</u>	<u>12,015</u>	<u>8,917</u>
 ELEMENTARY SCHOOLS				
Junction Elementary				
Programs	7,096	4,258	3,791	7,563
Petty Cash	-	300	300	-
Library Books	101	8	-	109
Student Council Sales	545	1,129	981	693
Student Council Yearbooks	2,299	2,740	1,808	3,231
Community Service Club	4,098	1,783	2,516	3,365
Reader's Club	504	-	-	504
Literacy	516	-	-	516
Playground Equipment	3,050	-	-	3,050
Subtotal Junction Elementary	<u>18,209</u>	<u>10,218</u>	<u>9,396</u>	<u>19,031</u>
Oak Grove Elementary				
School Store	737	2,194	1,654	1,277
Panther Pride	71	70	20	121
Interest Earned	12	11	-	23
Math Club	52	-	52	-
Petty Cash	171	605	376	400
Coca Cola	81	639	596	124
Student Celebration	1,093	7,785	7,077	1,801
Student Council	51	654	705	-
Yearbook	303	2,546	2,447	402
Subtotal Oak Grove Elementary	<u>2,571</u>	<u>14,504</u>	<u>12,927</u>	<u>4,148</u>
Turner Elementary				
Student Fund (Stuco)	533	481	24	990
Student Fund (General)	6,376	5,483	6,885	4,974
Art Club	30	-	-	30
Field Trips	1,963	2,769	1,776	2,956
Library	301	294	10	585
Yearbook and Pictures	3,040	2,712	3,054	2,698
Petty Cash	387	301	309	379
Just Say No	77	-	-	77
Care Club	43	-	-	43
Staff	-	1,506	801	705
Battle of Books	27	-	-	27
Subtotal Turner Elementary School	<u>12,777</u>	<u>13,546</u>	<u>12,859</u>	<u>13,464</u>

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts, Cash Disbursements and Cash
Student Organization and Other Agency Funds
For the Year Ended June 30, 2011

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
ELEMENTARY SCHOOLS (Continued)				
Midland Trail Elementary				
Library	\$ 201	\$ 3,327	\$ 3,266	\$ 262
Petty Cash	59	341	151	249
Student Council Sales	542	5,279	3,056	2,765
Student Council Yearbooks	3,391	4,082	6,452	1,021
Community Service Club	720	1,329	1,738	311
Staff Fund	406	-	393	13
Subtotal Midland Trail Elementary School	<u>5,319</u>	<u>14,358</u>	<u>15,056</u>	<u>4,621</u>
Subtotal All Elementary Schools	<u>38,876</u>	<u>52,626</u>	<u>50,238</u>	<u>41,264</u>
MIDDLE SCHOOL				
Turner Middle School				
Art	548	1,980	1,214	1,314
Athletics	374	525	107	792
Band	946	2,779	2,589	1,136
Boxtops for Education	1	-	-	1
Debate	272	1,066	988	350
Coffee Club	4	-	-	4
Lego League	5	265	-	270
FACS	845	2,841	2,215	1,471
Field Trips	24	4,497	3,987	534
NJHS	517	1,499	1,335	681
PEP Club	43	-	-	43
Petty Cash	28	3,028	3,056	-
Chorale	44	-	-	44
Cheerleading 08/09	27	701	728	-
Cheerleading 10/11	1,899	3,294	4,546	647
Student Returns	-	315	-	315
Drama Club	-	206	163	43
Weight Room	-	94	-	94
Cheerleading 11-12	-	1,310	8	1,302
Industrial Arts	213	1,124	1,150	187
Industrial Technology	274	972	322	924
Language Arts	9	-	-	9
Faculty Fund	15	1,496	1,501	10
AP Fund	1,210	684	1,560	334
PTA Kansas	463	-	255	208
Science Club	6,219	46,632	30,757	22,094
Solar Car Project	183	-	57	126
Student Council	513	424	339	598
Student Recognition	188	5,879	4,554	1,513
Science Classes	594	1,300	1,116	778
Yearbook	312	6,479	6,693	98
Total Middle School	<u>15,770</u>	<u>89,390</u>	<u>69,240</u>	<u>35,920</u>

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts, Cash Disbursements and Cash
Student Organization and Other Agency Funds
For the Year Ended June 30, 2011

<u>Fund</u>	Beginning Cash <u>Balance</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending Cash <u>Balance</u>
HIGH SCHOOL				
Band Tour	\$ 28,959	\$ 107,638	\$ 133,632	\$ 2,965
Beartones	1,097	3,867	4,150	814
Bob Wilkins Scholarship	1,287	-	200	1,087
Book Club	585	1,076	361	1,300
Book Rent	794	1,931	209	2,516
Booster	1,345	1,530	1,026	1,849
BPA	4,863	13,512	14,929	3,446
Cheerleading	-	24,901	18,611	6,290
Class of 2011	7,568	10,667	15,972	2,263
Class of 2012	5,422	11,643	10,961	6,104
Choir Fee	87	383	-	470
Debate	526	130	-	656
DECA	2,215	35	-	2,250
Drama	601	1,163	368	1,396
Drill Team	2,190	5,073	4,457	2,806
Fine Arts	4,474	18,905	21,462	1,917
Forensics	41	60	2	99
French Club	141	-	126	15
KAYS	279	1,498	938	839
NHS	345	1,267	1,354	258
Project Graduation	2,739	18,810	18,800	2,749
PSAT/Testing	167	96	117	146
SADD	287	2,929	248	2,968
Science Club	261	-	-	261
Open	-	250	-	250
School Store	3,190	8,645	8,723	3,112
Spanish Club	361	3,410	2,889	882
Student Council	5,687	10,726	12,088	4,325
Student Interest	3,301	12,294	12,980	2,615
Student Safety	645	1,230	1,215	660
Vica Auto	315	12,335	9,955	2,695
Vica Carpentry	395	3,768	982	3,181
Vica Printing	354	329	664	19
Golf Team	374	486	495	365
Art Fees	1,566	3,617	2,973	2,210
Band Fees	1,779	4,299	5,473	605
Building Trades Fee	454	757	915	296
Business Fees	4,242	1,500	727	5,015
Calculator Loss	3,069	610	292	3,387
Soccer Team	242	1,060	1,091	211
Volleyball Team	1,954	1,901	2,959	896
Boys Basketball Team	180	2,413	1,299	1,294
Girls Basketball Team	9	4,439	4,093	355
Baseball Team	2,569	20	617	1,972
Softball Team	1,993	1,403	1,884	1,512
Football Team	212	12,720	12,723	209
Auto Mech. Fee Money	1,660	1,725	3,175	210

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

UNIFIED SCHOOL DISTRICT NO. 202
Statement of Cash Receipts, Cash Disbursements and Cash
Student Organization and Other Agency Funds
For the Year Ended June 30, 2011

<u>Fund</u>	Beginning Cash <u>Balance</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending Cash <u>Balance</u>
HIGH SCHOOL (Continued)				
Wrestling	\$ 330	\$ 4,343	\$ 4,569	\$ 104
Joe Baker Golf Classic	220	1,674	335	1,559
Clothing Fee	309	680	664	325
Foods Fee	25	1,911	960	976
P.E. Fees	2,826	2,607	3,429	2,004
Science Fees	2,759	4,318	5,133	1,944
SPED	70	-	-	70
Diversity Club	243	-	120	123
Moats Scholarship	3,360	-	-	3,360
Jones Scholarship	-	3,000	3,000	-
Syring Scholarship	400	-	200	200
Arthur "Skip" Landers Scholarship	1,250	-	-	1,250
Builders Trades Raffle	781	47	164	664
Health Awareness	161	1,050	1,110	101
Senior Gift	3,064	-	1,302	1,762
Battle of the Books	574	331	223	682
Catering Club	673	681	581	773
Leadership Club	212	72	-	284
Track Club	824	2,544	2,379	989
Bowling Team	756	357	441	672
Swim Fees	249	150	297	102
Swim Team Girls	-	687	673	14
Swim Team Boys	20	114	102	32
Yearbook	2,852	23,742	17,393	9,201
Link Crew	89	294	294	89
Video Production Fee	78	9	87	-
Jazz Band Scholarship	5	616	621	-
Club 121	-	387	150	237
Social Studies Grant	-	250	-	250
Natural Helpers	-	338	55	283
Turner Troubadours	-	658	651	7
Middle School Fees	-	1,293	-	1,293
Sales Tax	-	7,851	7,762	89
Plan Test	272	27	-	299
Subtotal High School	<u>123,226</u>	<u>377,082</u>	<u>388,830</u>	<u>111,478</u>
ALTERNATIVE HIGH SCHOOL				
Student Activity	<u>1,019</u>	<u>1,361</u>	<u>1,793</u>	<u>587</u>
Subtotal Alternative High School	<u>1,019</u>	<u>1,361</u>	<u>1,793</u>	<u>587</u>
TOTAL ALL STUDENT ORGANIZATION FUNDS	<u>184,082</u>	<u>536,200</u>	<u>522,116</u>	<u>198,166</u>
CLEARING ACCOUNT	<u>1,126</u>	<u>90,474</u>	<u>87,385</u>	<u>4,215</u>
INSURANCE RESERVE	<u>[4,039]</u>	<u>37,304</u>	<u>33,267</u>	<u>[2]</u>
TOTAL STUDENT ORGANIZATION AND OTHER AGENCY FUNDS	<u>\$ 181,169</u>	<u>\$ 663,978</u>	<u>\$ 642,768</u>	<u>\$ 202,379</u>

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

STATEMENT 5

UNIFIED SCHOOL DISTRICT NO. 202
 Statement of Cash Receipts, Expenditures, and Unencumbered Cash
 District Activity
 For the Year Ended June 30, 2011

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
District							
Petty Cash	\$ 6,950	\$ -	\$ -	\$ -	\$ 6,950	\$ -	\$ 6,950
High School							
Petty Cash	5,972	-	2,282	5,700	2,554	-	2,554
Turner High School - Athletics	45,347	-	70,493	73,225	42,615	-	42,615
Subtotal High School	51,319	-	72,775	78,925	45,169	-	45,169
Total Athletic Gate Receipts	\$ 58,269	\$ -	\$ 72,775	\$ 78,925	\$ 52,119	\$ -	\$ 52,119

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

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 202 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements present USD No. 202 (the primary government) and its component unit. The component unit is included in the District's reporting entity because of the significance of its operational and financial relationship with the District.

Discretely Presented Component Unit. The component unit section of the financial statements includes the financial data of the discretely presented component unit. This component unit is reported separately to emphasize that it is legally separate from the District. The governing body of this component unit is appointed by the District.

Recreation Commission. USD No. 202 Recreation Commission oversees recreational activities. The recreation commission can sue and be sued, but acquisition of real property by the commission must be approved by the District. The District levies taxes for the recreation commission. Bond issuances must be approved by the District.

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, a cash 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.

The District has a GAAP waiver, which allows it to use this prescribed basis of accounting. When a local government adopts a Kansas GAAP waiver, K.S.A. 75-1120a specifically requires that the government must prepare its "financial statements and financial reports on the basis of cash receipts and disbursements as adjusted to show compliance with the cash-basis and budget laws of this state." K.S.A. 72-6417 and 72-6434 require that any general fund or supplemental general fund state aid payment that is due to be paid in June but is paid after that "shall be recorded and accounted for by the school districts as a receipt for the school year ending on the preceding June 30."

To attempt to reconcile this statutory conflict, the prescribed basis of accounting requires that state aid payments due in June but received in July be recorded in July of the following year in the financial statements. Compliance with K.S.A. 72-6417 and 72-6434 is required to be presented in the notes to the financial statements. The District has chosen to present its state aid payments due in June but received in July in the financial statements for the year ended June 30, 2011 rather than in July of the following fiscal year, which is not in compliance with the Kansas prescribed basis of accounting. The payments were \$2,059,898 in the General Fund and \$282,641 in the Supplemental General Fund.

Departure from Generally Accepted Accounting Principles (GAAP). The basis of accounting described above results in a financial statement presentation which shows cash receipts (except as noted), 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 expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Basis of Accounting (Continued)

Under accounting principles generally accepted in the United States of America, 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 accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the District are not presented in the financial statements. Also, long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements. Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase, as required by state statutes.

Fund Descriptions

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.

Debt Service Fund - to account for the accumulation of resources for, and the payments of, interest and principal and related costs on general long-term debt.

Fiduciary Funds

Trust and Agency Funds - to account for assets held by the District in a trustee capacity or as an agent for individuals, other governmental units, private organizations, and/or other funds.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute) and debt service funds.

The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases 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 the governing body may amend the budget at that time. The Food Service Fund budget was amended in the current year.

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 legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received, and expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special revenue funds: Student Material Revolving, Donations and Grants, Aquatics, District Activity, Recreation Commission Operating and Contingency Reserve.

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.

Ad Valorem Tax Revenues

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. Property taxes are levied as of November 1 and become a lien on the property as of that date. Payments are due November 1 and become delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the District, is on or before January 20 of the ensuing year. Additional amounts are distributed on four (4) subsequent dates throughout the calendar year.

NOTE 2 - Deposits and Investments

The District's cash is considered to be active funds by management and is invested according to K.S.A. 9-1401. The statute requires that bank's eligible to hold active funds have a main or branch bank in the county in which the District is located or in an adjacent county, that the bank(s) provide an acceptable rate of active funds, and that the deposits in excess of FDIC coverage be adequately secured per K.S.A. 9-1402. The Turner Recreation Commission has bank balances of \$960,629, of which \$738,743 are secured by FDIC coverage and pledged securities. The remaining \$221,886 is unsecured, which is a violation of K.S.A. 9-1402. The District does not have any formal deposit policies that would further limit interest rate, credit or custodial credit risks beyond state statutes.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 3 - Long-Term Debt

The District is subject to statutes of the State of Kansas which limit the bonded debt outstanding to 14% of the assessed valuation. The District requested and received approval under K.S.A. 75-2315 which allows the issuance of bonded debt in excess of the general bond debt limitation.

Following is a detailed listing of the District's long-term debt:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rate</u>
G.O. Bonds			
Refunding	05/18/10	\$ 2,505,000	4.400% - 5.000%
Building Improvements	03/01/01	5,665,000	4.400% - 5.500%
Refunding	12/15/04	<u>31,180,000</u>	3.000% - 5.250%
 Total		 <u>\$ 39,350,000</u>	

Following is a summary of changes in long-term debt for the year ended June 30, 2011:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>
G.O. Bonds To Be Paid With Tax Levies:				
'01 Issue	\$ 370,000	\$ -	\$ 180,000	\$ 190,000
'04 Issue	27,260,000	-	2,130,000	25,130,000
'08 Issue	715,000	-	715,000	-
'10 Issue	<u>2,675,000</u>	<u>-</u>	<u>30,000</u>	<u>2,645,000</u>
 Total	 <u>\$ 31,020,000</u>	 <u>\$ -</u>	 <u>\$ 3,055,000</u>	 <u>\$ 27,965,000</u>

Annual debt service requirements to maturity for long-term debt:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 2,475,000	\$ 1,387,473	\$ 3,862,473
2013	2,610,000	1,139,656	3,749,656
2014	2,735,000	1,008,469	3,743,469
2015	2,880,000	872,431	3,752,431
2016	3,005,000	720,731	3,725,731
2017 - 2021	13,955,000	1,206,178	15,161,178
2022	<u>305,000</u>	<u>5,338</u>	<u>310,338</u>
	<u>\$ 27,965,000</u>	<u>\$ 6,340,276</u>	<u>\$ 34,305,276</u>

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 3 - Long-Term Debt (Continued)

The original amount of the Government Capital Corporation lease was \$347,234 with annual payments over the next year. The principal amount paid on the lease for the year ended June 30, 2011 was \$122,929. The District entered into a boiler lease on June 3, 2008 in the amount of \$3,552,500. The interest rate on the lease is 4.325% with a final maturity date of March 15, 2018. The principal amount paid on the lease for the year ended June 30, 2011 was \$313,979. The District entered into a computer lease on June 7, 2011 in the amount of \$230,537. The principal amount paid on the lease for the year ended June 30, 2011 was \$80,262.

Annual lease payment requirements to maturity:

Year Ended <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 507,529	\$ 119,630	\$ 627,159
2013	419,068	99,379	518,447
2014	356,986	80,435	437,421
2015	372,594	64,827	437,421
2016	388,883	48,538	437,421
2017 - 2018	<u>829,515</u>	<u>45,327</u>	<u>874,842</u>
	<u>\$ 2,874,575</u>	<u>\$ 458,135</u>	<u>\$ 3,332,711</u>

The District also entered into a lease for improvements to the recreation building on September 1, 2007 in the amount of \$400,000. The interest rate on the lease is 5.375% with a final maturity date of September 15, 2022. The principal amount paid on the lease for the year ended June 30, 2011 was \$19,927.

Annual lease payment requirements to maturity:

Year Ended <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 21,013	\$ 18,171	\$ 39,184
2013	22,157	17,027	39,184
2014	23,364	15,820	39,184
2015	24,637	14,547	39,184
2016	25,979	13,205	39,184
2017 - 2021	152,729	43,191	195,920
2022 - 2023	<u>73,373</u>	<u>4,995</u>	<u>78,368</u>
	<u>\$ 343,253</u>	<u>\$ 126,956</u>	<u>\$ 470,209</u>

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 4 - Interfund Transactions

Transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Special Education	K.S.A. 72-6428	\$ 4,290,361
General	Contingency Reserve	K.S.A. 72-6428	317,522
General	At Risk (4 Year Old)	K.S.A. 72-6428	236,603
General	Capital Outlay	K.S.A. 72-6428	2,924,000
General	At Risk (K-12)	K.S.A. 72-6428	1,641,609
General	Student Material Revolving	K.S.A. 72-6428	500,000
Supplemental General	Bilingual Education	K.S.A. 72-6433	456,153
Supplemental General	Vocational Education	K.S.A. 72-6433	409,136
Supplemental General	At Risk (K-12)	K.S.A. 72-6433	3,741,128
Supplemental General	Parent Education Program	K.S.A. 72-6433	<u>23,836</u>
Total			<u>\$ 14,540,348</u>

NOTE 5 - Defined Benefit Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit 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, Topeka, KS 66603-3803)

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at up to 6% 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 currently contributes 8.17% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. Kansas contributions to KPERS for the District employees for the years ending June 30, 2011, 2010, and 2009 were \$1,569,165, \$1,828,506, and \$1,846,135, respectively, equal to the required contributions for each year.

NOTE 6 - Termination Benefits

The District has a plan which covers personnel who voluntarily take early retirement. A certified employee is eligible for early retirement if such employee is a full time employee, not less than 60 years of age and not more than 65 years of age, and has ten years or more of service with the District and twenty years or more of service credit with the Kansas Public Employees Retirement System. The benefits from this plan are computed using a formula based upon years of service and is payable semiannually.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 6 - Termination Benefits (Continued)

The annual scheduled payments under this program are as follows:

Year <u>Ended</u>	
6/30/2012	\$ 524,151
6/30/2013	425,712
6/30/2014	295,706
6/30/2015	180,482
6/30/2016	101,257
6/30/2017-06/30/2021	<u>14,398</u>
Total	<u>\$ 1,541,705</u>

NOTE 7 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of the funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District as of June 30, 2011.

NOTE 8 - Risk Management

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; and natural disasters for which it carries commercial insurance. The District has joined other Kansas school districts to participate in Kansas Association of School Boards (KASB) workers compensation insurance risk pool. The pool operates as a common risk management and insurance program for certain Kansas school districts. The District pays an annual premium to the pool for its workers compensation insurance coverage. The District's contractual agreement with KASB provides that KASB will be self-sustaining through member premiums and the liability limits for each accident, employee, and policy is \$1,000,000. The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 9 – Compensated Absences

The District gives each teacher ten (10) days paid annual leave for illness or personal use. This paid leave may be accumulated to a maximum of one hundred and twenty (120) days and shall include the amount allotted for the current year. The District gives classified employees, with the exception of bus drivers, leave time at a rate of one (1) work day paid leave per month of employment calculated from the original date of employment. Example, a ten (10) month employee receives ten (10) days leave time; a twelve (12) month employee receives twelve (12) days leave time. This paid leave may be accumulated to a maximum of one hundred and twenty (120) days and shall include the amount allotted for the current year. A teacher retiring from the District shall be paid at the rate of the current daily substitute pay for each day of accumulated leave upon retirement; classified employees are paid at their current rate of pay. As of June 30, 2011, the liability for accumulated leave time was \$230,474. If employees terminate or resign, leave pay is only paid for current years time earned but not used.

UNIFIED SCHOOL DISTRICT NO. 202
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
<u>U.S. Department of Education</u>					
Passed Through State Department of Education:					
Title I Grants to Local Educational Agencies	84.010	\$ [23,480]	\$ 1,019,040	\$ 1,054,620	\$ [59,060]
Special Education Grants to States	84.027	42,393	662,359	741,717	[36,965]
Vocational Education Basic Grants to States	84.048	-	46,210	46,210	-
Special Education - Preschool Grants	84.173	[10,596]	25,470	26,534	[11,660]
Safe and Drug Free Schools and Communities National Program	84.186	[2,225]	13,978	7,337	4,416
Homeless Child	84.196	[951]	19,152	17,010	1,191
Education Technology State Grant	84.318	[1,535]	8,569	7,034	-
English Language Acquisition Grants	84.365	2,383	67,046	58,802	10,627
Improving Teacher Quality State Grants	84.367	[19,254]	184,741	153,183	12,304
ARRA Title II Tech Lit	84.386	1,181	3,670	4,851	-
ARRA Title I	84.389	109,873	438,296	548,169	-
ARRA Special Education Part B	84.391	[20,647]	497,712	470,891	6,174
ARRA Special Education Part B Preschool	84.392	19,833	-	26,539	[6,706]
ARRA Stabilization	84.394	-	445,941	445,941	-
Education Jobs Fund	84.410	-	780,841	780,841	-
Total U.S. Department of Education			<u>4,213,025</u>	<u>4,389,679</u>	
<u>U.S. Department of Health and Human Services</u>					
Passed Through State Department of Education:					
Youth Risk Behavior Survey	93.938	2,073	750	-	2,823
Total U.S. Department of Health and Human Services			<u>750</u>	<u>-</u>	
<u>U.S. Department of Agriculture</u>					
Passed Through State Department of Education:					
School Breakfast Program	10.553	-	341,216	341,216	-
National School Lunch Program	10.555	-	1,239,277	1,239,277	-
Sponsor Administration	10.559	-	27,377	27,377	-
Total U.S. Department of Agriculture			<u>1,607,870</u>	<u>1,607,870</u>	
Total Expenditures of Federal Awards			<u>\$ 5,821,645</u>	<u>\$ 5,997,549</u>	

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the expenditures of all federal financial assistance programs of the District. All expenditures of federal financial assistance received directly from federal agencies, if any, as well as federal financial assistance passed through other government agencies is included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the Kansas prescribed basis of accounting which includes accounts payable and encumbrances.

UNIFIED SCHOOL DISTRICT NO. 202
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Qualified (Prescribed Basis)
Adverse (GAAP)

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weaknesses? X Yes _____ None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X 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? _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010, 84.389	Title I, Part A Cluster
10.553, 10.555, 10.559	Child Nutrition Cluster
84.410	Education Jobs Fund

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

Auditee qualified as low-risk auditee? _____ Yes X No

UNIFIED SCHOOL DISTRICT NO. 202
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011

Section II - Financial Statement Findings

Prior Year Findings

<u>Program</u>	<u>Finding</u>	<u>Conditions</u>	<u>Criteria</u>	<u>Questioned Costs</u>	<u>Recommendation</u>	<u>Status</u>
Not Applicable	2010-1	We noted separation of duties issues regarding activity fund internal controls at multiple schools. Bookkeepers at several schools issued receipts, posted amounts to the system, prepared the deposit and reconciled the bank account. In addition, we were informed that one school does not always issue receipts. Also, one school has not been using purchase orders for disbursements.	Recommended Practices	Not determined.	We recommend that the District require a separation of duties in the area of activity fund receipting. An individual independent of the receipting process should prepare a reconciliation between the receipts issued and the amounts deposited into the bank account. In addition, we recommend that receipts be issued for all payments to the schools and each school should prepare purchase orders for all disbursements.	Repeat at 2011-1

Current Year Findings

<u>Program</u>	<u>Finding</u>	<u>Conditions</u>	<u>Criteria</u>	<u>Questioned Costs</u>	<u>Recommendation</u>	<u>Management Response</u>
Not Applicable	2011-1	We noted separation of duties issues regarding activity fund internal controls at multiple schools. Bookkeepers at several schools issued receipts, posted amounts to the system, prepared the deposit and reconciled the bank account. In addition, we were informed that one school does not always issue receipts.	Recommended Practices	Not determined.	We recommend that the District require a separation of duties in the area of activity fund receipting. An individual independent of the receipting process should prepare a reconciliation between the receipts issued and the amounts deposited into the bank account. In addition, we recommend that receipts be issued for all payments to the schools and each school should prepare purchase orders for all disbursements.	Agrees

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None noted

Current Year Findings

<u>Program</u>	<u>Finding</u>	<u>Conditions</u>	<u>Criteria</u>	<u>Questioned Costs</u>	<u>Recommendation</u>	<u>Management Response</u>
Title I	2011-1	Personnel costs not supported by required documentation	OMB Circular A-87 Attachment B	Not determined	Adopt policy and procedures to comply with the federal time keeping rules	Agrees

LOWENTHAL, WEBB & ODERMANN, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

900 Massachusetts, Suite 301
Lawrence, Kansas 66044-2868
Phone: (785) 749-5050
Fax: (785) 749-5061
Website: www.lswwcpa.com

David A. Lowenthal, CPA
Patricia L. Webb, CPA
Audrey M. Odermann, CPA

Abram M. Chrislip, CPA
Caroline H. Eddinger, CPA
Grant A. Huddin, CPA
Brian W. Nyp, CPA

Members of American Institute
and Kansas Society of
Certified Public Accountants

**INDEPENDENT AUDITOR'S 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
Unified School District No. 202
Kansas City, Kansas

We have audited the financial statements of Unified School District No. 202, (the District), Kansas City, Kansas, as of and for the year ended June 30, 2011, and have issued our report thereon dated October 24, 2011, which is a special report on the financial statements prepared in accordance with a basis of accounting prescribed by the State of Kansas. 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 District'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 District'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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. However, we identified a deficiency in internal control over financial reporting, described in the schedule of findings and questioned costs, as Finding 2011-1, that we consider to be a significant deficiency in internal control over financial reporting. The District's response to this finding in that same section has not been audited by us and accordingly, we express no opinion on them. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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."

However, we noted certain other matters that we have reported to management in a separate letter dated October 24, 2011.

This communication is intended solely for the information and use of the Board of Education, administration, federal awarding agencies, pass through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Lowenthal, Wett & Odermann, P.A.

October 24, 2011

LOWENTHAL, WEBB & ODERMANN, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

900 Massachusetts, Suite 301
Lawrence, Kansas 66044-2868
Phone: (785) 749-5050
Fax: (785) 749-5061
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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

Board of Education
Unified School District No. 202
Kansas City, Kansas

Compliance

We have audited the compliance of the Unified School District No. 202 (the District), Kansas City, Kansas, 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 year ended June 30, 2011. 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 District's management. Our responsibility is to express an opinion on the District'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 District'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 the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Finding 2011-1.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of law, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, the Board of Education, federal awarding agencies and pass through entities, is not intended to be, and should not be used by anyone other than these specified parties.

Lowenthal, Wett & Odemann, P.A.

October 24, 2011