

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

FINANCIAL STATEMENTS  
For the fiscal year ended June 30, 2011

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

FINANCIAL STATEMENTS  
For the fiscal year ended June 30, 2011

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UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

The Board of Education  
Unified School District No. 210  
Hugoton, Kansas 67951

We have audited the accompanying financial statements of Unified School District No. 210, as of and for the year ended June 30, 2011, as listed in the table of contents. These statutory basis financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these statutory basis financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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. The financial statements of the Unified School District No. 210 Recreation Commission were not audited in accordance with Government Auditing Standards. 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 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 more fully in Note 1, the School District prepares its financial statements using 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, are 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 Unified School District No. 210, as of June 30, 2011, the changes in its financial position, or, where applicable, its cash flows for the year then ended. Further, Unified School District No. 210 has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The Board of Education  
Unified School District No. 210  
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In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of Unified School District No. 210, as of June 30, 2011, and its respective cash receipts and expenditures and budgetary comparisons, for the year then ended, in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated September 21, 2011 on our consideration of Unified School District No. 210's internal control over financial reporting and 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 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 an opinion on the statutory basis financial statements of Unified School District No. 210 taken as a whole. 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 not a required part of the statutory basis financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounts 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 accounting 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 taken as a whole, on the basis of accounting described in Note 1.

Hay.Rice & Associates, Chartered

September 21, 2011

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

The Board of Education  
Unified School District No. 210  
Hugoton, Kansas 67951

We have audited the financial statements and the discretely presented component units of Unified School District No. 210 as of and for the year ended June 30, 2011, and have issued our report thereon dated September 21, 2011, which was qualified because Unified School District No. 210 prepares its financial statements on a prescribed basis of accounting that 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. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 the School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School 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.

The Board of Education  
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### **Internal Control Over Financial Reporting (Continued)**

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 Unified School District No. 210's statutory basis 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 that are required to be reported under Government Auditing Standards.

This report is intended solely for the information of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

**Hay.Rice & Associates, Chartered**

September 21, 2011

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 1

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
For the fiscal year ended June 30, 2011

Funds	<u>Beginning</u> <u>Unencumbered</u> <u>Cash</u>	<u>Prior Year</u> <u>Cancelled</u> <u>Encumbrances</u>	<u>Cash</u> <u>Receipts</u>	<u>Expenditures</u>	<u>Ending</u> <u>Unencumbered</u> <u>Cash</u>	<u>Add</u> <u>Outstanding</u> <u>Encumbrances</u> <u>&amp; Accounts</u> <u>Payable</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
Governmental Type Funds:							
General Fund	\$ -	\$ -	\$ 7,020,852	\$ 7,020,852	\$ -	\$289,632	\$ 289,632
Supplemental General	108,410	-	2,351,339	2,378,244	81,505	15,272	96,777
Special Revenue Funds:							
Bilingual Education	-	-	268,897	268,897	-	3,834	3,834
Capital Outlay	2,397,678	-	1,326,287	1,999,148	1,724,817	56,684	1,781,501
Driver Training	23,489	-	3,480	6,228	20,741	-	20,741
Food Service	97,215	-	611,193	540,230	168,178	590	168,768
Professional Development	71,321	-	41,180	49,695	62,806	1,543	64,349
Parent Education	-	-	40,041	40,041	-	4,288	4,288
Special Education	325,773	-	718,228	700,659	343,342	6	343,348
Vocational Education	-	-	183,095	182,997	98	6,030	6,128
KPERS Retirement Contribution	-	-	381,349	381,349	-	-	-
At-Risk K-12	-	-	1,011,809	1,011,717	92	73,255	73,347
At Risk 4 Year Old	4,672	406	101,000	105,672	406	6,235	6,641
Recreation Commission	47,853	-	626,301	651,500	22,654	-	22,654
Recreation Comm. Employees' Benefits	985	-	66,331	65,000	2,316	-	2,316
Title II Tech Literacy	313	-	1,974	2,287	-	313	313
Textbook Rental	1,612	-	12,599	4,842	9,369	-	9,369
Scholarship	17,122	-	249	550	16,821	-	16,821
Title II Improving Teacher Quality	-	-	46,151	46,151	-	-	-
Title I Low Income	24,257	-	247,875	272,132	-	17,296	17,296
Title I Migrant	-	-	164,400	164,400	-	3,817	3,817
Drug Free Schools and Communities	-	2,031	-	2,031	-	-	-
Contingency Reserve	523,028	-	179,057	-	702,085	-	702,085
Gifts and Contributions	67,224	-	41,273	68,865	39,632	756	40,388
Self-Funded Insurance	561,945	-	1,030,319	863,126	729,138	-	729,138
Charter School	380	-	204,400	180,112	24,668	3,535	28,203
Title III	-	-	23,205	23,205	-	100	100
District Activities	4,167	-	50,315	52,936	1,546	-	1,546
Debt Service Fund – Bond and Interest	1,237,256	-	1,709,813	1,133,985	1,813,084	-	1,813,084
Capital Projects Fund:							
Capital Project/Improvement 08	4,538,622	-	44,605	4,583,227	-	-	-
Capital Project/Improvement 09	3,777,724	-	9,312	3,787,036	-	-	-
Capital Project/Improvement 10	1,998,500	-	86	1,998,586	-	-	-
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<u>\$15,829,546</u>	<u>\$ 2,437</u>	<u>\$18,517,015</u>	<u>\$28,585,700</u>	<u>\$5,763,298</u>	<u>\$483,186</u>	<u>\$6,246,484</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 1  
(Continued)

SUMMARY OF CASH RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH

For the fiscal year ended June 30, 2011

Composition of Cash:

District checking account	\$ 141,920
Elementary School checking account	12,197
High School checking account	80,043
Money market accounts	6,086,197
Certificates of deposit	<u>16,821</u>
Total Cash and Investments	\$6,337,178
Agency Funds	<u>(90,694)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$6,246,484</u>

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

UNIFIED SCHOOL DISTRICT NO. 210

Hugoton, Kansas

Statement 2

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET

(BUDGETED FUNDS ONLY)

For the fiscal year ended June 30, 2011

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Favorable (Unfavor.)</u>
Governmental Type Funds:					
General Fund	\$7,171,049	\$ (150,197)	\$7,020,852	\$7,020,852	\$ -
Supplemental General	2,378,642	(398)	2,378,244	2,378,244	-
Special Revenue Funds:					
Bilingual Education	268,897	-	268,897	268,897	-
Capital Outlay	2,637,000	-	2,637,000	1,999,148	637,852
Driver Training	17,508	-	17,508	6,228	11,280
Food Service	600,000	-	600,000	540,230	59,770
Inservice Education	56,000	-	56,000	49,695	6,305
Parent Education	43,000	-	43,000	40,041	2,959
Bond and Interest	1,132,500	-	1,132,500	1,133,985	(1,485)
Special Education	850,000	-	850,000	700,659	149,341
Vocational Education	200,000	-	200,000	182,997	17,003
KPERs Retirement Contribution	503,911	-	503,911	381,349	122,562
At Risk K-12	1,113,731	-	1,113,731	1,011,717	102,014
At Risk 4 Year Old	105,672	-	105,672	105,672	-
Recreation Commission	651,500	-	651,500	651,500	-
Recreation Commission Employees' Benefits	65,000	-	65,000	65,000	-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3

STATEMENTS OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the year ended June 30, 2011

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-1

GENERAL FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	Actual	Budget	Variance Favorable (Unfavor.)	Prior Year Actual
<u>Cash Receipts</u>				
Local Sources:				
Ad Valorem Tax Levied:				
Current	\$ 4,355,002	\$4,196,883	\$ 158,119	\$ 6,512,905
Delinquent	33,765	19,997	13,768	41,548
Total local sources	\$ 4,388,767	\$4,216,880	\$ 171,887	\$ 6,554,453
State Sources:				
State aid	\$ 2,932,018	\$2,268,589	\$ 663,429	\$ 3,485,569
Payment to state	(1,443,925)	-	(1,443,925)	(4,017,737)
Special Education aid	529,537	554,909	(25,372)	497,960
Mineral production tax	254,979	-	254,979	160,808
Total state sources	\$ 2,272,609	\$2,823,498	\$ (550,889)	\$ 126,600
Federal Sources:				
ARRA Stabilization	\$ 130,671	\$ 130,671	-	\$ 326,306
Education Job payment	228,805	-	228,805	-
Total federal sources	\$ 359,476	\$ 130,671	\$ 228,805	\$ 326,306
 Total cash receipts	 \$ 7,020,852	 \$7,171,049	 \$ (150,197)	 \$ 7,007,359
 <u>Expenditures and Transfers</u>				
<u>Subject to Legal Max Budget</u>				
Instruction	\$ 3,605,208	\$3,634,091	\$ 28,883	\$ 3,555,561
Student support services	143,543	131,744	(11,799)	128,299
Instructional support staff	176,065	165,480	(10,585)	219,115
General Administration	409,172	313,724	(95,448)	324,275
School Administration	577,435	535,592	(41,843)	524,653
Operations and maintenance	720,155	687,753	(32,402)	635,752
Student transportation services	350,057	275,325	(74,732)	327,804
Other support services	130,735	127,652	(3,083)	122,027

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-1  
(Continued)

GENERAL FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavor.)</u>	<u>Prior</u> <u>Year</u> <u>Actual</u>
<u>Expenditures and Transfers</u>				
<u>Subject to Legal Max Budget (Cont.)</u>				
Transfers	908,482	1,299,688	391,206	1,169,873
Adjustment to comply with legal max	-	(150,197)	(150,197)	-
Total expenditures subject to budget	\$ 7,020,852	\$7,020,852	-	\$ 7,007,359
Receipts over (under) expenditures	-			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	-			-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-2

SUPPLEMENTAL GENERAL FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011

(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	Actual	Budget	Variance Favorable (Unfavor.)	Prior Year Actual
<u>Cash Receipts</u>				
Local Sources:				
Ad Valorem Tax Levied:				
Current	\$2,294,454	\$ 31,231	\$2,263,223	\$2,225,190
Delinquent	12,125	6,835	5,290	13,705
Motor vehicle tax	43,488	58,099	(14,611)	39,537
RV tax	1,272	1,659	(387)	1,147
Total cash receipts	\$2,351,339	\$ 97,824	\$2,253,515	\$2,279,579
 <u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	\$ 14,049	\$ 5,617	\$ (8,432)	\$ 5,085
Student support services	81,791	79,504	(2,287)	77,577
Instructional support staff	191,164	250,505	59,341	225,770
General Administration	10,508	29,226	18,718	28,946
Operations and maintenance	337,697	333,013	(4,684)	305,276
Other supplemental services	21,473	3,734	(17,739)	631
Transfers	1,721,562	1,677,043	(44,519)	1,576,301
Adjustment to comply with Legal max	-	(398)	(398)	-
Total expenditures and transfers subject to budget	\$2,378,244	\$2,378,244	-	\$2,219,586
Receipts over (under) expenditures	\$ (26,905)			\$ 59,993
Unencumbered Cash, Beginning	108,410			48,417
Unencumbered Cash, Ending	\$ 81,505			\$ 108,410

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-3

BILINGUAL EDUCATION FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		Variance	Prior
	Actual	Budget	Favorable (Unfavor.)	Year Actual
<u>Cash Receipts</u>				
Transfers:				
General	\$ 89,840	\$268,897	\$ (179,057)	\$ -
Supplemental General	<u>179,057</u>	<u>-</u>	<u>179,057</u>	<u>192,576</u>
Total cash receipts	\$268,897	<u>\$268,897</u>	<u>-</u>	\$192,576
 <u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	<u>268,897</u>	<u>\$268,897</u>	<u>-</u>	<u>192,576</u>
Receipts over (under) expenditures	-			-
Unencumbered Cash, Beginning	<u>-</u>			<u>-</u>
Unencumbered Cash, Ending	<u>-</u>			<u>-</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-4

CAPITAL OUTLAY FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011

(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	Actual	Budget	Variance Favorable (Unfavor.)	Prior Year Actual
<u>Cash Receipts</u>				
Local Sources:				
Ad Valorem Tax Levied:				
Current	\$ 664,517	\$ 642,876	\$ 21,641	\$ 988,305
Delinquent	5,511	3,035	2,476	6,481
Motor vehicle tax	20,499	27,350	(6,851)	19,585
Interest on idle funds	53,160	-	53,160	89,241
Miscellaneous	24,037	-	24,037	45,962
Federal Sources:				
FEMA Grant	<u>558,563</u>	<u>-</u>	<u>558,563</u>	<u>-</u>
 Total cash receipts	 <u>\$1,326,287</u>	 <u>\$ 673,261</u>	 <u>\$ 653,026</u>	 <u>\$1,149,574</u>
 <u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	\$ 86,201	\$ 25,000	\$ (61,201)	\$ 23,458
Instructional Support Staff	241,755	125,000	(116,755)	119,920
School Administration	52,143	50,000	(2,143)	46,923
Operations and maintenance	947,832	225,000	(722,832)	213,470
Facility acquisition and construction services	<u>671,217</u>	<u>2,212,000</u>	<u>1,540,783</u>	<u>355,212</u>
 Total expenditures and transfers subject to budget	 <u>\$1,999,148</u>	 <u>\$2,637,000</u>	 <u>\$ 637,852</u>	 <u>\$ 758,983</u>
 Receipts over (under) expenditures	 \$ (672,861)			 \$ 390,591
 Unencumbered Cash, Beginning	 <u>2,397,678</u>			 <u>2,007,087</u>
 Unencumbered Cash, Ending	 <u>\$1,724,817</u>			 <u>\$2,397,678</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-5

DRIVER TRAINING FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		Variance	Prior
	Actual	Budget	Favorable (Unfavor.)	Year Actual
<u>Cash Receipts</u>				
Local Sources:				
Driver Education fees	\$ 150	\$ -	\$ 150	\$ 4,260
State Sources:				
State safety aid	3,330	3,500	(170)	2,550
Transfer:				
Supplemental General	<u>-</u>	<u>14,000</u>	<u>(14,000)</u>	<u>-</u>
Total cash receipts	\$ 3,480	\$ <u>17,500</u>	\$ <u>(14,020)</u>	\$ 6,810
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	<u>6,228</u>	\$ <u>17,508</u>	\$ <u>11,280</u>	<u>14,520</u>
Receipts over (under) expenditures	\$ (2,748)			\$ (7,710)
Unencumbered Cash, Beginning	<u>23,489</u>			<u>31,199</u>
Unencumbered Cash, Ending	\$ <u>20,741</u>			\$ <u>23,489</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-6

FOOD SERVICE FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011

(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		Variance	Prior
	Actual	Budget	Favorable	Year
			(Unfavor.)	Actual
<u>Cash Receipts</u>				
Local Sources:				
Student sales	\$135,418	\$123,045	\$ 12,373	\$117,793
Adult sales	18,450	8,293	10,157	8,667
Total local sources	<u>\$153,868</u>	<u>\$131,338</u>	<u>\$ 22,530</u>	<u>\$126,460</u>
State Sources:				
School food assistance	\$ 5,730	\$ 4,345	\$ 1,385	\$ 4,855
Federal Sources:				
Child nutrition programs	\$331,595	\$286,257	\$ 45,338	\$289,552
Transfers:				
General Fund	\$ -	\$ 31,586	\$ (31,586)	\$ 75,000
Supplemental General Fund	120,000	185,000	(65,000)	-
Total transfers	<u>\$120,000</u>	<u>\$216,586</u>	<u>\$ (96,586)</u>	<u>\$ 75,000</u>
 Total cash receipts	 <u>\$611,193</u>	 <u>\$638,526</u>	 <u>\$ (27,333)</u>	 <u>\$495,867</u>
 <u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Operations and maintenance	\$ -	\$ 1,000	\$ 1,000	\$ 3,921
Food service operation	540,230	599,000	58,770	495,757
 Total expenditures and transfers subject to budget	 <u>\$540,230</u>	 <u>\$600,000</u>	 <u>\$ 59,770</u>	 <u>\$499,678</u>
 Receipts over (under) expenditures	 \$ 70,963			 \$ (3,811)
 Unencumbered Cash, Beginning	 <u>97,215</u>			 <u>101,026</u>
 Unencumbered Cash, Ending	 <u>\$168,178</u>			 <u>\$ 97,215</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-7

PROFESSIONAL DEVELOPMENT FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		Variance Favorable (Unfavor.)	Prior Year Actual
	Actual	Budget		
<u>Cash Receipts</u>				
Local Sources:				
State aid	\$ 1,180	-	\$ 1,180	-
Transfers:				
General Fund	\$ -	\$ -	\$ -	\$ 45,000
Supplemental General Fund	40,000	56,000	(16,000)	-
Total transfers	\$ 40,000	\$ 56,000	\$ (16,000)	\$ 45,000
 Total cash receipts	 \$ 41,180	 \$ 56,000	 \$ (14,820)	 \$ 45,000
 <u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	49,695	\$ 56,000	\$ 6,305	45,134
 Receipts over (under) expenditures	 \$ (8,515)			 \$ (134)
 Unencumbered Cash, Beginning	 71,321			 71,455
 Unencumbered Cash, Ending	 \$ 62,806			 \$ 71,321

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-8

PARENT EDUCATION FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		Variance	Prior
	Actual	Budget	Favorable (Unfavor.)	Year Actual
<u>Cash Receipts</u>				
State Sources:				
State aid	\$ 23,175	\$ 26,134	\$ (2,959)	\$ 25,626
Transfers:				
Supplemental General Fund	<u>16,866</u>	<u>16,866</u>	-	<u>16,657</u>
Total cash receipts	<u>\$ 40,041</u>	<u>\$ 43,000</u>	<u>\$ (2,959)</u>	<u>\$ 42,283</u>
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Student support services	\$ 40,041	\$ 40,768	\$ 727	\$ 42,283
Instructional support services	<u>-</u>	<u>2,232</u>	<u>2,232</u>	<u>-</u>
Total expenditures and transfers subject to budget	<u>\$ 40,041</u>	<u>\$ 43,000</u>	<u>\$ 2,959</u>	<u>\$ 42,283</u>
Receipts over (under) expenditures	-			-
Unencumbered Cash, Beginning	<u>-</u>			<u>-</u>
Unencumbered Cash, Ending	<u>-</u>			<u>-</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-9

BOND AND INTEREST FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		Variance	Prior
	Actual	Budget	Favorable	Year
			(Unfavor.)	Actual
<u>Cash Receipts</u>				
Local Sources:				
Ad Valorem Taxes:				
Current	\$1,691,257	\$1,636,089	\$ 55,168	\$2,109,354
Delinquent	8,553	6,513	2,040	-
Motor vehicle tax	10,003	13,893	(3,890)	-
Interest income	-	-	-	2,042
	\$1,709,813	\$1,656,495	\$ 53,318	\$2,111,396
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Interest payment	\$ 808,985	\$ 806,944	\$ (2,041)	\$ 950,726
Commission and postage	-	556	556	-
Principal	325,000	325,000	-	-
	\$1,133,985	\$1,132,500	\$ (1,485)	\$ 950,726
Total expenditures and transfers subject to budget	\$1,133,985	\$1,132,500	\$ (1,485)	\$ 950,726
Receipts over (under) expenditures	\$ 575,828			\$1,160,670
Unencumbered Cash, Beginning	1,237,256			76,586
Unencumbered Cash, Ending	\$1,813,084			\$1,237,256

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-10

SPECIAL EDUCATION FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	Actual	Budget	Variance Favorable (Unfavor.)	Prior Year Actual
<u>Cash Receipts</u>				
Local Sources:				
Miscellaneous	\$ 8,906	-	\$ 8,906	\$ 3,808
Transfers:				
General Fund	\$639,586	\$854,909	\$ (215,323)	\$747,960
Supplemental General Fund	69,736	-	69,736	-
Total transfers	<u>\$709,322</u>	<u>\$854,909</u>	<u>\$ (145,587)</u>	<u>\$747,960</u>
 Total cash receipts	 <u>\$718,228</u>	 <u>\$854,909</u>	 <u>\$ (136,681)</u>	 <u>\$751,768</u>
 <u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	\$680,939	\$820,725	\$ 139,786	\$727,248
Vehicle operating services	19,720	29,275	9,555	21,396
 Total expenditures and transfers subject to budget	 <u>\$700,659</u>	 <u>\$850,000</u>	 <u>\$ 149,341</u>	 <u>\$748,644</u>
 Receipts over (under) expenditures	 \$ 17,569			 \$ 3,124
 Unencumbered Cash, Beginning	 <u>325,773</u>			 <u>322,649</u>
 Unencumbered Cash, Ending	 <u>\$343,342</u>			 <u>\$325,773</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-11

VOCATIONAL EDUCATION FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		Variance	Prior
	Actual	Budget	Favorable (Unfavor.)	Year Actual
<u>Cash Receipts</u>				
Transfers:				
General Fund	\$ -	\$ -	\$ -	\$ 14,355
Supplemental General Fund	<u>183,095</u>	<u>200,000</u>	<u>(16,905)</u>	<u>172,605</u>
Total cash receipts	<u>\$183,095</u>	<u>\$200,000</u>	<u>\$ (16,905)</u>	<u>\$186,960</u>
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	\$173,086	\$179,833	\$ 6,747	\$168,544
Operations and maintenance	<u>9,911</u>	<u>20,167</u>	<u>10,256</u>	<u>18,416</u>
Total expenditures and transfers subject to budget	<u>\$182,997</u>	<u>\$200,000</u>	<u>\$ 17,003</u>	<u>\$186,960</u>
Receipts over (under) expenditures	\$ 98			-
Unencumbered Cash, Beginning	<u>-</u>			<u>-</u>
Unencumbered Cash, Ending	<u>\$ 98</u>			<u>-</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-12

KPERS RETIREMENT CONTRIBUTION FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavor.)</u>	<u>Prior</u> <u>Year</u> <u>Actual</u>
<u>Cash Receipts</u>				
State Sources	\$381,349	\$ <u>503,911</u>	\$ <u>(122,562)</u>	\$435,986
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Employees Benefits	<u>381,349</u>	<u>\$503,911</u>	<u>\$ 122,562</u>	<u>435,986</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. 210  
Hugoton, Kansas

Statement 3-13

AT RISK K-12 FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	<u>Current Year</u>		<u>Variance</u> <u>Favorable</u> <u>(Unfavor.)</u>	<u>Prior</u> <u>Year</u> <u>Actual</u>
	<u>Actual</u>	<u>Budget</u>		
<u>Cash Receipts</u>				
Transfers:				
Supplemental General	\$1,011,809	\$ <u>1,113,731</u>	\$ <u>(101,922)</u>	\$1,110,120
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	<u>1,011,717</u>	<u>\$1,113,731</u>	<u>\$ 102,014</u>	<u>1,110,120</u>
Receipts over (under) expenditures	\$ 92			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	\$ <u>92</u>			<u>-</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-14

AT RISK 4 YEAR OLD FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year		<u>Variance</u> <u>Favorable</u> <u>(Unfavor.)</u>	<u>Prior</u> <u>Year</u> <u>Actual</u>
	<u>Actual</u>	<u>Budget</u>		
<u>Cash Receipts</u>				
Transfers:				
Supplemental General	\$101,000	\$ <u>101,000</u>	- ---	\$101,000
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Instruction	<u>105,672</u>	\$ <u>105,672</u>	- ---	<u>96,328</u>
Receipts over (under) expenditures	\$ (4,672)			\$ 4,672
Unencumbered Cash, Beginning	4,672			-
Prior year cancelled encumbrances	<u>406</u>			-
Unencumbered Cash, Ending	\$ <u>406</u>			\$ <u>4,672</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-15

RECREATION COMMISSION FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	Actual	Budget	Variance Favorable (Unfavor.)	Prior Year Actual
<u>Cash Receipts</u>				
Local Sources:				
Ad Valorem Tax Levied:				
Current	\$607,107	\$587,365	\$ 19,742	\$765,607
Delinquent	4,272	2,353	1,919	4,759
Motor vehicle tax	14,498	19,374	(4,876)	14,115
RV tax	424	553	(129)	407
Total cash receipts	\$626,301	\$ <u>609,645</u>	\$ <u>16,656</u>	\$784,888
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Appropriation	651,500	\$ <u>651,500</u>	-	755,000
Receipts over (under) expenditures	\$ (25,199)			\$ 29,888
Unencumbered Cash, Beginning	47,853			17,965
Unencumbered Cash, Ending	\$ 22,654			\$ 47,853

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-16

RECREATION COMMISSION EMPLOYEES' BENEFIT FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES AND  
CHANGES IN UNENCUMBERED CASH – ACTUAL AND BUDGET

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Current Year			
	Actual	Budget	Variance Favorable (Unfavor.)	Prior Year Actual
<u>Cash Receipts</u>				
Local Sources:				
Ad Valorem Tax Levied:				
Current	\$ 65,756	\$ 63,508	\$ 2,248	\$ 21,089
Delinquent	122	65	57	147
Motor vehicle tax	453	602	(149)	439
Total cash receipts	\$ 66,331	\$ <u>64,175</u>	\$ <u>2,156</u>	\$ 21,675
<u>Expenditures and Transfers</u>				
<u>Subject to Budget</u>				
Appropriation	65,000	\$ <u>65,000</u>	-	21,422
Receipts over (under) expenditures	\$ 1,331			\$ 253
Unencumbered Cash, Beginning	985			732
Unencumbered Cash, Ending	\$ <u>2,316</u>			\$ <u>985</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3

STATEMENTS OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the year ended June 30, 2011

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-17

TITLE II TECH LITERACY FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	\$ 1,974	\$ 4,748
 <u>Expenditures and Transfers</u>		
Instruction	2,287	4,435
Receipts over (under) expenditures	\$ (313)	\$ 313
Unencumbered Cash, Beginning	313	-
Unencumbered Cash, Ending	-	\$ 313

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-18

TEXTBOOK RENTAL FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Local Sources:		
Rental fees and books	\$ 12,599	\$ 2,575
 <u>Expenditures and Transfers</u>		
Instruction	4,842	5,151
Receipts over (under) expenditures	\$ 7,757	\$ (2,576)
Unencumbered Cash, Beginning	1,612	4,188
Unencumbered Cash, Ending	\$ 9,369	\$ 1,612

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-19

SCHOLARSHIP FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Local Sources:		
Interest income	\$ 249	\$ 395
 <u>Expenditures and Transfers</u>		
Scholarships	550	800
Receipts over (under) expenditures	\$ (301)	\$ (405)
Unencumbered Cash, Beginning	17,122	17,527
Unencumbered Cash, Ending	\$ 16,821	\$ 17,122

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-20

TITLE II IMPROVING TEACHER QUALITY FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	\$ 46,151	\$ -
 <u>Expenditures and Transfers</u>		
Instruction	46,151	9,782
Receipts over (under) expenditures	-	\$ (9,782)
Unencumbered Cash, Beginning	-	9,782
Unencumbered Cash, Ending	-	-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-21

TITLE I LOW INCOME FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	\$247,875	\$ 75,773
 <u>Expenditures and Transfers</u>		
Instruction	\$261,348	\$ 75,037
General Administration	7,584	5,236
Student transportation	3,200	-
Total expenditures and transfers	\$272,132	\$ 80,273
Receipts over (under) expenditures	\$ (24,257)	\$ (4,500)
Unencumbered Cash, Beginning	24,257	28,757
Unencumbered Cash, Ending	-	\$ 24,257

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-22

TITLE I MIGRANT FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	<u>\$164,400</u>	<u>\$165,800</u>
 <u>Expenditures and Transfers</u>		
Instruction	\$130,279	\$134,976
Community Service operation	29,470	-
Central Administration	<u>4,651</u>	<u>30,824</u>
 Total expenditures and transfers	<u>\$164,400</u>	<u>\$165,800</u>
 Receipts over (under) expenditures	-	-
 Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
 Unencumbered Cash, Ending	<u>-</u>	<u>-</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-23

TITLE II EESA FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	-	\$ 47,628
 <u>Expenditures and Transfers</u>		
Instructional support staff	-	47,628
Receipts over (under) expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-24

DRUG FREE SCHOOLS AND COMMUNITIES FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	\$ -	\$ 4,722
 <u>Expenditures and Transfers</u>		
Student support services	2,031	5,670
Receipts over (under) expenditures	\$ (2,031)	\$ (948)
Unencumbered Cash, Beginning	-	948
Prior year cancelled encumbrance	2,031	-
Unencumbered Cash, Ending	-	-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-25

CONTINGENCY RESERVE FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Transfers:		
General	\$179,057	\$266,332
 <u>Expenditures and Transfers</u>	 -	 -
Receipts over (under) expenditures	\$179,057	\$266,332
Unencumbered Cash, Beginning	<u>523,028</u>	<u>256,696</u>
Unencumbered Cash, Ending	<u>\$702,085</u>	<u>\$523,028</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-26

GIFTS AND CONTRIBUTIONS FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Local Sources:		
Gifts and contributions	\$ 41,273	\$ 89,026
 <u>Expenditures and Transfers</u>		
Other purchased services	68,865	22,678
Receipts over (under) expenditures	\$ (27,592)	\$ 66,348
Unencumbered Cash, Beginning	67,224	876
Unencumbered Cash, Ending	\$ 39,632	\$ 67,224

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-27

SELF-FUNDED INSURANCE FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	<u>Year</u>	
	<u>Current</u>	<u>Prior</u>
<u>Cash Receipts</u>		
Collections	\$1,030,319	\$991,215
<u>Expenditures and Transfers</u>		
Claims and fees	<u>863,126</u>	<u>815,555</u>
Receipts over (under) expenditures	\$ 167,193	\$175,660
Unencumbered Cash, Beginning	<u>561,945</u>	<u>386,285</u>
Unencumbered Cash, Ending	<u>\$ 729,138</u>	<u>\$561,945</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-28

SPLASH GRANT FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>	-	\$ -
<u>Expenditures and Transfers</u>		
Instruction	-	2,204
Receipts over (under) expenditures	-	\$ (2,204)
Unencumbered Cash, Beginning	-	2,204
Unencumbered Cash, Ending	-	-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-29

TITLE I FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	-	\$202,779
 <u>Expenditures and Transfers</u>		
Instruction	-	\$196,535
Other support services	-	6,244
Total expenditures and transfers	-	\$202,779
Receipts over (under) expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-30

CHARTER SCHOOL FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	<u>Year</u>	
	<u>Current</u>	<u>Prior</u>
<u>Cash Receipts</u>		
Fees	\$ 9,400	\$ 1,123
Federal Sources:		
Federal aid	195,000	185,000
Transfers:		
General Fund	<u>-</u>	<u>4,569</u>
Total cash receipts	<u>\$204,400</u>	<u>\$190,692</u>
<u>Expenditures and Transfers</u>		
Instruction	\$156,002	\$206,562
School Administration	2,752	-
Operations and maintenance	6,358	-
Other facilities acquisition	<u>15,000</u>	<u>-</u>
Total expenditures and transfers	<u>\$180,112</u>	<u>\$206,562</u>
Receipts over (under) expenditures	\$ 24,288	\$ (15,870)
Unencumbered Cash, Beginning	<u>380</u>	<u>16,250</u>
Unencumbered Cash, Ending	<u>\$ 24,668</u>	<u>\$ 380</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-31

TITLE III FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL  
For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Federal Sources:		
Federal aid	\$ 23,205	\$ 7,763
 <u>Expenditures and Transfers</u>		
Instruction	23,205	7,763
Receipts over (under) expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-32

CAPITAL PROJECT/IMPROVEMENT 08 FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Interest	\$ 44,605	\$ 45,612
 <u>Expenditures and Transfers</u>		
Architect fees	\$ 61,842	\$ 201,428
Cost of issuance	-	798
Construction cost	<u>4,521,385</u>	<u>4,562,196</u>
Total expenditures and transfers	\$ <u>4,583,227</u>	\$ <u>4,764,422</u>
Receipts over (under) expenditures	\$ (4,538,622)	\$ (4,718,810)
Unencumbered Cash, Beginning	<u>4,538,622</u>	<u>9,257,432</u>
Unencumbered Cash, Ending	<u><u>-</u></u>	<u><u>\$ 4,538,622</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-33

CAPITAL PROJECT/IMPROVEMENT 09 FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Interest	\$ <u>9,312</u>	\$ <u>49,521</u>
 <u>Expenditures and Transfers</u>		
Architect fees	\$ -	\$ 797,666
Construction cost	<u>3,787,036</u>	<u>4,816,177</u>
Total expenditures and transfers	\$ <u>3,787,036</u>	\$ <u>5,613,843</u>
Receipts over (under) expenditures	\$ (3,777,724)	\$ (5,564,322)
Unencumbered Cash, Beginning	<u>3,777,724</u>	<u>9,342,046</u>
Unencumbered Cash, Ending	<u><u>-</u></u>	\$ <u><u>3,777,724</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 3-34

CAPITAL PROJECT/IMPROVEMENT 10 FUND  
STATEMENT OF CASH RECEIPTS, EXPENDITURES  
AND CHANGES IN UNENCUMBERED CASH – ACTUAL

For the fiscal year ended June 30, 2011  
(with comparative actual totals for the prior year ended June 30, 2010)

	Year	
	Current	Prior
<u>Cash Receipts</u>		
Interest	\$ 86	\$ -
Bond proceeds	-	2,020,000
Total cash receipts	\$ 86	\$2,020,000
 <u>Expenditures and Transfers</u>		
Cost of issuance	\$ 1,473	\$ 21,500
Construction cost	1,997,113	-
Total expenditures and transfers	\$ 1,998,586	\$ 21,500
Receipts over (under) expenditures	\$ (1,998,500)	\$1,998,500
Unencumbered Cash, Beginning	1,998,500	-
Unencumbered Cash, Ending	-	\$1,998,500

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 4

AGENCY FUNDS  
STATEMENT OF CASH RECEIPTS AND  
CASH DISBURSEMENTS – ACTUAL

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 4

AGENCY FUNDS  
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS – ACTUAL  
For the fiscal year ended June 30, 2011

<u>Fund</u>	<u>Beginning</u> <u>Cash</u> <u>Balance</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
Payroll Fund	\$ 3,626	-	\$ 3,626	-
Student Organization Funds:				
High School:				
Class of 2010	\$ 230	\$ 7	\$ 237	\$ -
Class of 2011	3,184	1,917	5,101	-
Class of 2012	699	26,464	23,628	3,535
Class of 2013	220	5,924	2,852	3,292
Class of 2014	-	105	8	97
Blue & Red Activity	7,178	15,206	13,872	8,512
Student Council	1,836	7,745	7,554	2,027
National Honor Society	1,466	5,052	4,357	2,161
Future Farmers of America	490	49,377	47,017	2,850
Channel 12	-	100	7	93
Sociology Class	-	405	400	5
Yearbook	22	9,432	9,453	1
Foreign Language	269	594	550	313
Wrestling	585	7,905	8,203	287
Softball	147	2,165	2,173	139

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 4  
(Continued)

AGENCY FUNDS  
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS – ACTUAL  
For the fiscal year ended June 30, 2011

<u>Fund</u>	<u>Beginning</u> <u>Cash</u> <u>Balance</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
High School (Continued):				
Woods	13	13,924	13,758	179
Ag Mechanics	-	805	805	-
General Shop	-	63	63	-
Cheerleaders – Wrestling	1,098	1,529	1,261	1,366
Cheerleaders	1,177	3,917	3,926	1,168
Drill Team	1,305	5,544	6,505	344
Volleyball	885	4,992	3,880	1,997
Scholars Bowl	397	-	-	397
BB – Boys	1,277	1,140	1,374	1,043
BB – Girls	286	906	1,170	22
Debate Club	98	-	-	98
Concessions	1,640	29,833	27,007	4,466
Baseball Concession	2,566	560	1,471	1,655
Lift-A-Thon	912	5,995	6,904	3
Cross Country	175	3,030	2,651	554
Track	(263)	1,470	1,075	132

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 4  
(Continued)

AGENCY FUNDS  
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS – ACTUAL  
For the fiscal year ended June 30, 2011

<u>Fund</u>	<u>Beginning</u> <u>Cash</u> <u>Balance</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
High School (Continued):				
Golf – Boys	74	-	70	4
Golf – Girls	237	-	173	64
FBLA	17	9,147	8,914	250
Drivers Ed	-	150	150	-
Resource Students	406	-	-	406
Video Broadcasting	685	-	17	668
Journalism	2,577	10,210	8,220	4,567
Music Activity	7,674	-	864	6,810
Band	2,573	13,092	9,701	5,964
Library	2,402	1,491	2,052	1,841
Student ID	1,457	1,513	2,970	-
All School Play Activity	5,222	2,216	2,032	5,406
Art Department	1,450	1,311	1,317	1,444
Latinos Make a Difference	1,065	3,280	1,401	2,944
Student Activity	769	7,756	7,223	1,302
Student Rewards Activity	2,081	1,232	1,580	1,733
Book Fees	(7)	5,198	5,191	-
Sub-total High School	<u>\$ 56,574</u>	<u>\$262,702</u>	<u>\$249,137</u>	<u>\$ 70,139</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 4  
(Continued)

AGENCY FUNDS  
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS – ACTUAL  
For the fiscal year ended June 30, 2011

<u>Fund</u>	<u>Beginning</u> <u>Cash</u> <u>Balance</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
Middle School:				
Student Council	\$ 4,122	\$ 5,652	\$ 7,529	\$ 2,245
Track	134	-	-	134
Cheerleading	26	-	-	26
Counselor	1,323	1,588	1,185	1,726
Resource Room Activity	115	-	-	115
AB Student Activity Fund	3,060	1,148	921	3,287
Yearbook	2	1,488	1,488	2
Volleyball	-	530	530	-
Football	20	-	-	20
BB Boys	19	240	240	19
7 <sup>th</sup> BB Girls	859	377	452	784
Sub-total Middle School	<u>\$ 9,680</u>	<u>\$ 11,023</u>	<u>\$ 12,345</u>	<u>\$ 8,358</u>
Elementary School:				
Student activities	<u>\$ 14,328</u>	<u>\$110,369</u>	<u>\$112,500</u>	<u>\$ 12,197</u>
Total Student Organization Funds	<u>\$ 80,582</u>	<u>\$384,094</u>	<u>\$373,982</u>	<u>\$ 90,694</u>
Grand Total	<u>\$ 84,208</u>	<u>\$384,094</u>	<u>\$377,608</u>	<u>\$ 90,694</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 5

DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS AND  
CASH DISBURSEMENTS – ACTUAL

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Statement 5

DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS – ACTUAL  
For the fiscal year ended June 30, 2011

<u>Fund</u>	<u>Beginning</u> <u>Cash</u> <u>Balance</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
High School: Athletics	\$ <u>4,167</u>	\$ <u>50,315</u>	\$ <u>52,936</u>	\$ <u>1,546</u>

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

Note 1: Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 210 is a municipal corporation governed by an elected seven-member board. These financial statements present only the activity of Unified School District No. 210.

Jointly Governed Organization

The Unified School District No. 210 Recreation Commission is a jointly governed organization governed by a five person board. The City of Hugoton City Council appoints two members of the board and the Unified School District No. 210 school board appoints two members of the board and one member is an at large appointment.

Fund Accounting

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 School District for the year ended June 30, 2011:

Governmental Funds:

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

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

Fiduciary Funds:

Agency Funds – to account for assets held by a governmental unit as a trustee or agent for others.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate 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 municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the statutory basis of accounting.

Departure from Accounting Principles Generally Accepted in the United States of America

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 expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. 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 municipality are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes and compensated absences are not presented in the financial statements.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011  
(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Other Accounting Policies

Cash and Time Deposits

These liquid assets are shown in aggregate. K.S.A. 12-1671 and 12-1672 allow these assets to be shown in aggregate.

Time deposits are carried at cost plus accrued interest. The carrying amount of deposits is separately displayed as "cash and time deposits".

General Fixed Assets

General fixed assets purchased are recorded as expenditures at the time of purchase, except for assets acquired with federally assisted funds. Assets of the School District are not recorded in a permanent set of records.

Vouchers Payable

Vouchers payable are classified on the basis of a claim for payment resulting from legal title to property.

Bonds Payable

Bonds which are outstanding at the end of the fiscal year.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds.

In addition, encumbrances do constitute expenditures of a fund.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Other Accounting Policies (Continued)

Unencumbered Cash Balances

The unencumbered cash balance is the unobligated resources of cash and time deposits of a fund.

Note 2: Transfers

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Special Education	KSA 72-6428	\$ 639,585
	Contingency Reserve	KSA 72-6428	179,057
	Bilingual	KSA 72-6428	89,840
			<u>\$ 908,482</u>
Supplemental General	Food Service	KSA 72-6428	\$ 120,000
	Inservice	KSA 72-6428	40,000
	Bilingual Education	KSA 72-6428	179,057
	At Risk	KSA 72-6428	1,011,809
	Preschool	KSA 72-6428	101,000
	Parent Education	KSA 72-6428	16,866
	Special Education	KSA 72-6428	69,735
	Vocational Education	KSA 72-6428	183,095
			<u>\$1,721,562</u>
	Total		<u>\$2,630,044</u>

Note 3: Budgets

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise 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 fiscal year ending June 30 on or before August 1st.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

(Continued)

Note 3: Budgets (Continued)

2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
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.

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 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 revenues and expenditures compared to legally budgeted revenues 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 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 expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds and certain special revenue funds.

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

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

(Continued)

Note 4: Defined Benefit Pension Plan

Unified School District No. 210 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 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at 4% of covered salary for all employees hired before July 1, 2009 and 6% for all employees hired after July 1, 2009. Member-employees' contributions are withheld by their employer and paid to KPERs according to the provisions of 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 9.17% of covered payroll. These contribution requirements are established by KPERs and are periodically revised. Kansas' contributions to KPERs for all Kansas public school employees for the years ending June 30, 2011, 2010 and 2009 were \$253,834,044, \$140,318,394 and \$242,777,363, respectively.

Note 5: Vacation and Sick Pay

After one year of employment, two weeks of vacation time is accrued for non-certified employees. Superintendent and principals may accrue up to twenty days of vacation time. Vacation time not taken within the period of accrual is neither subject to reimbursement nor to carry-over to the next fiscal year.

After ten years of service with Unified School District No. 210 and upon retirement on the Kansas Public Employees Retirement System, disability, or death of an employee, the district will compensate employees \$10.00 per day for any unused sick leave accumulated up to a maximum of 80 days.

Note 6: Authorized Over-Encumbered Cash Balance - Federal Funds

K.S.A. 12-1664 authorizes the financing from local sources for expenditures to be reimbursed by the federal government.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011  
(Continued)

Note 7: Compliance with Kansas Statutes

Contrary to the provisions of K.S.A. 72-8208d, the School District's treasurer did not reconcile bank balances.

Contrary to the provisions of K.S.A. 79-2935, expenditures in the Bond and Interest account exceeded their adopted budget.

Note 8: Contingent Liabilities

Unified School District No. 210 participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives for audits of these programs for or including the year ending June 30, 2011. These compliance audits have not been conducted as of September 21, 2011. Accordingly, the School District's compliance with applicable grant agreements will be established at some future date. The amount of expenditures, which may be disallowed by the grantor agencies, cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial.

Note 9: Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by Unified School District No. 210. The statute requires banks eligible to hold the School District's funds have a main or branch bank in the county in which Unified School District No. 210 is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. Unified School District No. 210 has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits Unified School District No. 210's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. Unified School District No. 210 has no investment policy that would further limit its investment choices.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

(Continued)

Note 9: Deposits and Investments (Continued)

Concentration of Credit Risk – State statutes place no limit on the amount Unified School District No. 210 may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, Unified School District No. 210's deposits may not be returned to it. State statutes require Unified School District No. 210's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, the Federal Home Loan Bank of Topeka, or the UMB Bank of America, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2011.

At June 30, 2011, Unified School District No. 210's carrying amount of deposits was \$6,244,939 and the bank balance was \$6,713,608. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$516,821 was covered by federal depository insurance, \$6,196,787 was collateralized with securities held by the pledging financial institutions' agents in Unified School District No. 210's name.

Custodial Credit Risk – Investments – For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, Unified School District No. 210 will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

(Continued)

Note 10: Long-Term Debt

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

<u>Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Bonds:										
2008 Series	4.25-4.75%	12/01/08	\$9,500,000	9/01/24	\$ 9,500,000	-	\$ 125,000	\$ (125,000)	\$ 9,375,000	\$413,296
2009 Series	4.00-4.75%	2/01/09	9,500,000	9/01/24	9,500,000	-	200,000	(200,000)	9,300,000	393,647
2010 Series	5.25%	6/15/10	2,000,000	9/01/20	<u>2,000,000</u>	-	-	-	<u>2,000,000</u>	<u>2,042</u>
Total Long-Term Debt					<u>\$21,000,000</u>	<u>-</u>	<u>\$ 325,000</u>	<u>\$ (325,000)</u>	<u>\$20,675,000</u>	<u>\$808,985</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017-2021</u>	<u>2022-2025</u>	<u>Total</u>
Principal:								
General obligation bonds	\$1,185,000	\$1,265,000	\$1,305,000	\$1,350,000	\$1,395,000	\$ 7,725,000	\$6,450,000	\$20,675,000
Interest:								
General obligation bonds	<u>885,000</u>	<u>842,775</u>	<u>798,069</u>	<u>751,600</u>	<u>703,269</u>	<u>2,672,804</u>	<u>617,455</u>	<u>7,270,972</u>
Total Principal and Interest	<u>\$2,070,000</u>	<u>\$2,107,775</u>	<u>\$2,103,069</u>	<u>\$2,101,600</u>	<u>\$2,098,269</u>	<u>\$10,397,804</u>	<u>\$7,067,455</u>	<u>\$27,945,972</u>

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

SUPPLEMENTAL SCHEDULES

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

The Board of Education  
Unified School District No. 210  
Hugoton, Kansas 67951

**Compliance**

We have audited Unified School District No. 210's compliance 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. Unified School District No. 210'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 referred to above is the responsibility of the School District's management. Our responsibility is to express an opinion on Unified School District No. 210'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 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, 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 identified in the accompanying schedule of findings and questioned costs occurred. An audit includes examining, on a test basis, evidence about the School 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 Unified School District No. 210's compliance with those requirements.

In our opinion, Unified School District No. 210 complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs identified in the accompanying schedule of findings and questioned costs for the year ended June 30, 2011.

The Board of Education  
Unified School District No. 210  
Hugoton, Kansas 67951

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### **Internal Control Over Compliance**

The management of Unified School District No. 210 is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 210'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 that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. 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 of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

**Hay.Rice & Associates, Chartered**

September 21, 2011

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Schedule 1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the fiscal year ended June 30, 2011

<u>Federal Grantor/Pass Through Grantor</u> <u>Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Expenditures</u>
U. S. Department of Education – Pass		
Through Kansas Department of Education:		
Title I Low Income	84.010	\$ 199,222
Title I Low Income – ARRA	84.389	48,653
Title I Migrant	84.011	164,400
Charter Schools	84.282	195,000
Title II Tech Literacy	84.318	674
Title II Tech Literacy – ARRA	84.386	1,300
Title II Improving Teacher Quality	84.367	46,151
English Language Acquisition	84.365	23,205
Ed Jobs Fund – ARRA	84.410	228,805
2009 ARRA Stabilization	84.394	130,671
Total Department of Education		<u>\$1,038,081</u>
U. S. Department of Agriculture – Pass		
Through Kansas Department of Education:		
Food Service Cluster:		
Breakfast Program	10.553	\$ 59,103
Cash for Commodities	10.555	30,010
National School Lunch Program	10.555	231,044
Team Nutrition	10.574	250
Special Milk Program	10.556	1,040
Food Service	10.559	10,397
National School Lunch Program – Equipment	10.579	20,348
Fresh Fruits & Vegetables	10.582	28,323
Total Food Service Cluster		<u>\$ 380,515</u>
Federal Emergency Management Agency – Pass		
Through Kansas Emergency Management:		
Federal Emergency Management Grant	97.039	<u>\$ 558,563</u>
Total Federal Awards Expended		<u>\$1,977,159</u>

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

NOTE TO SCHEDULE 1  
June 30, 2011

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District No. 210 under programs of the federal government for the year ended June 30, 2011. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of Unified School District No. 210, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Unified School District No. 210.

Expenditures are prepared on a cash disbursement basis adjusted for beginning and ending payables and encumbrances.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

Schedule 2

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2011

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the statutory basis financial statements of Unified School District No. 210.
2. There were no significant deficiencies in internal control disclosed by the audit of the financial statements that were considered material weaknesses.
3. No instances of noncompliance material to the financial statements of Unified School District No. 210 were disclosed during the audit.
4. There were no significant deficiencies relating to the audit of the major federal awards that were considered material weaknesses.
5. The auditor's report on compliance for the major federal award programs for Unified School District No. 210 expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Unified School District No. 210 as reported in Part C. of this schedule.
7. The programs tested as major programs include:
  - Title I Migrant CFDA #84.011
  - Food Service Cluster CFDA #10.553, 10.555, 10.556, 10.559, 10.582
  - Federal Emergency Management Agency CFDA #97.039
8. The threshold for determining type A and B programs was:
  - Type A – the larger of \$300,000 or 3% of total federal awards expended
  - Type B – any programs that do not meet type A criteria specified above
9. Unified School District No. 210 was not determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS

None.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS  
AUDIT

None.

UNIFIED SCHOOL DISTRICT NO. 210  
Hugoton, Kansas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the fiscal year ended June 30, 2011

There were no audit findings relating to federal award programs in the prior years audit.