

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS

PRIMARY GOVERNMENT
STATUTORY BASIS FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2011

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS

PRIMARY GOVERNMENT STATUTORY BASIS FINANCIAL STATEMENTS

For The Year Ended June 30, 2011

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Title Page	
Table of Contents	
FINANCIAL SECTION	
Independent Auditors' Report	1-2
STATEMENT 1	
Summary of Cash Receipts, Expenditures and Unencumbered Cash	3
STATEMENT 2	
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)	4
STATEMENT 3	
Statement of Cash Receipts and Expenditures:	
A. General Fund	5
B. Supplemental General Fund	6-7
C. At Risk Fund (4 Year Old)	8
D. At Risk Fund (K-12)	9
E. Bilingual Education Fund	10
F. Capital Outlay Fund	11
G. Driver Training Fund	12
H. Food Service Fund	13
I. Professional Development Fund	14
J. Summer School Fund	15
K. Special Education Fund	16
L. Vocational Education Fund	17
M. KPERS Special Retirement Contribution Fund	18
N. Textbook Rental Fund	19
O. Contingency Reserve Fund	20
P. Grant Activity	21
Q. Recreation Commission Fund	22
R. Irene B. James Scholarship	23
S. Deerfield Scholarship	24
T. Western Kansas Community Foundation	25
STATEMENT 4	
Statement of Cash Receipts and Cash Disbursements - Student Activity Funds	26

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS

PRIMARY GOVERNMENT STATUTORY BASIS FINANCIAL STATEMENTS

For The Year Ended June 30, 2011

TABLE OF CONTENTS

	<u>Page</u>
STATEMENT 5	
Statement of Cash Receipts, Expenditures and Unencumbered Cash - District Activity Funds	27
Notes to Financial Statements	28-39
SUPPLEMENTAL INFORMATION	
SCHEDULE 1	
Schedule of Expenditures - Actual and Budget - General Fund	41-43
SCHEDULE 2	
Schedule of Cash Receipts and Expenditures - KPERs Special Retirement Contribution Fund	44
GRAPH 1	
Comparison of Statutory Revenues	45
GRAPH 2	
Comparison of Expenditures	46
GRAPH 3	
Comparison of Expenditures - General Fund	47
SCHEDULE 3	
Schedule of Expenditures of Federal Awards	48
Notes to Schedule of Expenditures of Federal Awards	49
APPENDIX - SINGLE AUDIT	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	51-52
Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	53-54
Schedule of Findings and Questioned Costs	55
Corrective Action Plan and Comments on Audit Resolution Matters Relating to the Federal Award Programs	56



INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 216
Deerfield, Kansas 67838

We have audited the accompanying statutory basis financial statements of the Unified School District No. 216, Deerfield, Kansas, as of and for the year ended June 30, 2011, which collectively comprise the statutory basis financial statements of the District's primary government as listed in the table of contents. These statutory basis financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these statutory basis financial statements based on our audit. The prior year comparative information has been derived from the District's 2010 financial statements and, in our report dated September 28, 2010, we expressed an unqualified opinion on the primary government statutory basis financial statements prepared on the basis of accounting described in Note 1.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements do not include financial data for the District's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component units. The District has not issued such reporting entity financial statements. The effect on the financial statements of the omission of the aggregate discretely presented component units, although not reasonably determinable, is presumed to be material.

As described in Note 1, the District has prepared these statutory basis 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 effects 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.

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In our opinion, because of the omission of the discretely presented component units of the Unified School District No. 216, Deerfield, Kansas, and because of the effects of the matter discussed in the preceding paragraph, the statutory basis financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States, the financial position of the Unified School District No. 216, Deerfield, Kansas, as of June 30, 2011, or the changes in its financial position, or where applicable, its cash flows for the year then ended. Further, the District has not presented a management's discussion and analysis that accounting principles generally accepted in the United States have determined is necessary to supplement, although not required to be part of, the basic financial statements.

Further, in our opinion, the primary government statutory basis financial statements as discussed above present fairly, in all material respects, the cash and unencumbered cash balances of the primary government of the Unified School District No. 216, Deerfield, Kansas, as of June 30, 2011, and its cash receipts and expenditures, and budgetary comparisons, for the year then ended, taken as a whole under the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated September 28, 2011, on our consideration of the Unified School District No. 216, Deerfield, Kansas', 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 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 primary government statutory basis financial statements of the Unified School District No. 216, Deerfield, Kansas, taken as a whole. The accompanying financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the primary government statutory basis financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the statutory basis financial statements of the Unified School District No. 216, Deerfield, Kansas. Such additional information has been subjected to the auditing procedures applied in the audit of the statutory basis statements and, in our opinion, is fairly presented in all material respects in relation to the primary government statutory basis financial statements taken as a whole on the basis of accounting described in Note 1.



LEWIS, HOOPER & DICK, LLC

September 28, 2011

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2011

	Unencumbered Cash Balance (Deficit) 7/1/10	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Unencumbered Cash Balance (Deficit) 6/30/11	Outstanding Encumbrances and Accounts Payable	Treasurer's Cash and Investments 6/30/11
General Funds:							
General	\$ -	\$ -	\$ 2,366,632	\$ 2,458,263	\$ (91,631)	\$ 196,159	\$ 104,528
Supplemental General	249,181	-	524,303	531,859	241,625	10,822	252,447
Special Revenue Funds:							
At Risk (4 Year Old)	25,286	-	53,462	47,960	30,788	6,633	37,421
At Risk (K-12)	74,164	-	447,047	420,704	100,507	40,112	140,619
Bilingual Education	36,799	-	157,973	154,733	40,039	13,583	53,622
Capital Outlay	686,456	-	235,330	388,593	533,193	189,072	722,265
Driver Training	30,654	-	3,815	8,060	26,409	861	27,270
Food Service	67,129	-	166,617	175,940	57,806	12,625	70,431
Professional Development	48,640	-	6,000	29,699	24,941	5,865	30,806
Summer School	55,712	-	600	1,407	54,905	-	54,905
Special Education	328,920	-	239,244	196,062	372,102	812	372,914
Vocational Education	101,317	-	151,683	150,046	102,954	12,389	115,343
KPERS Special Retirement							
Contribution	(83,397)	-	223,349	139,952	-	-	-
Textbook Rental	16,534	-	11,267	3,814	23,987	-	23,987
Contingency Reserve	282,440	-	-	-	282,440	-	282,440
Grant Activity	-	-	480,338	480,338	-	87,829	87,829
District Activities	-	-	53,532	53,532	-	4,689	4,689
Fiduciary Funds:							
Recreation Commission	-	-	151,822	151,822	-	-	-
Irene B. James Scholarship	25,135	232	827	231	25,963	-	25,963
Deerfield Scholarship	3,081	-	-	-	3,081	-	3,081
Western Kansas Community Foundation	-	-	555	-	555	-	555
Internal Service Funds:							
Interest on idle funds	-	-	9,871	9,871	-	-	-
Totals (excluding Student Activity Funds)(memorandum only)	\$ 1,948,051	\$ 232	\$ 5,284,267	\$ 5,402,886	\$ 1,829,664	\$ 581,451	\$ 2,411,115
Composition of Cash:							
Board of Education							\$ 673,056
Plus deposits in transit							11,808
Less outstanding checks							(92,023)
Total cash - Board of Education							592,841
Student Funds							
Checking account							25,810
Less outstanding checks							(553)
Total cash - Student Funds							25,257
Time accounts							
Money market accounts							1,814,240
Certificates of deposit							25,000
Total time accounts							1,839,240
Total cash							2,457,338
Less Student Activity Funds per Statement 4							(46,223)
Total cash (excluding Student Activity Funds)							\$ 2,411,115

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
For the Year Ended June 30, 2011

	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:						
General	\$ 2,492,254	\$ 33,991	\$ -	\$ 2,458,263	\$ 2,458,263	\$ -
Supplemental General	755,000	-	44,744	799,744	531,859	(267,885)
Special Revenue Funds:						
At Risk (4 Year Old)	60,000	-	-	60,000	47,960	(12,040)
At Risk (K-12)	515,333	-	-	515,333	420,704	(94,629)
Bilingual Education	232,034	-	-	232,034	154,733	(77,301)
Capital Outlay	774,787	-	-	774,787	388,593	(386,194)
Driver Training	52,404	-	-	52,404	8,060	(44,344)
Food Service	280,097	-	-	280,097	175,940	(104,157)
Professional Development	85,086	-	-	85,086	29,699	(55,387)
Summer School	62,046	-	-	62,046	1,407	(60,639)
Special Education	275,000	-	-	275,000	196,062	(78,938)
Vocational Education	220,566	-	-	220,566	150,046	(70,520)
KPERs Special Retirement Contribution	187,988	-	-	187,988	139,952	(48,036)
Fiduciary Funds:						
Recreation Commission	210,834	-	-	210,834	151,822	(59,012)

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 1,318,840	\$ 972,018	\$ 1,002,389	\$ (30,371)
Delinquent tax	4,746	3,028	6,659	(3,631)
Federal aid	130,256	125,690	45,689	80,001
State sources	1,015,106	1,210,547	1,408,690	(198,143)
Mineral production tax	28,827	55,349	28,827	26,522
Total cash receipts	2,497,775	2,366,632	\$ 2,492,254	\$ (125,622)
Expenditures:				
Instruction	748,742	842,453	\$ 790,070	\$ 52,383
Student support services	46,472	47,106	47,360	(254)
Instructional support staff	6,566	7,622	7,820	(198)
General administration	249,840	193,761	196,822	(3,061)
School administration	220,186	189,367	188,859	508
Operations and maintenance	375,755	381,009	391,507	(10,498)
Transportation operation and maintenance	3,068	3,294	2,500	794
Vehicle operating services	79,408	78,866	39,437	39,429
Vehicle services and maintenance services	3,019	3,494	51,274	(47,780)
Operating transfers out	698,216	711,291	776,605	(65,314)
Adjustment to legal max	-	-	(33,991)	33,991
Total expenditures	2,431,272	2,458,263	\$ 2,458,263	\$ -
Receipts over (under) expenditures	66,503	(91,631)		
Unencumbered cash (deficit), beginning	(66,503)	-		
Unencumbered cash (deficit), ending	\$ -	\$ (91,631)		

See Note 2C (K.S.A. 72-6417(d) presentation)

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Supplemental General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 599,086	\$ 484,881	\$ 542,689	\$ (57,808)
Delinquent tax	2,200	1,566	3,029	(1,463)
Motor vehicle tax	10,457	11,011	11,609	(598)
Recreational vehicle tax	391	338	411	(73)
Other	35,790	26,507	-	26,507
Transfer from Driver Training	40,000	-	-	-
Total cash receipts	687,924	524,303	\$ 557,738	\$ (33,435)
Expenditures:				
Instruction:				
Salaries	-	-	\$ 20,000	\$ (20,000)
Employee benefits	286	523	1,500	(977)
Purchased professional and technical services	-	21,331	20,000	1,331
Other purchased services	13,131	594	10,000	(9,406)
Supplies	26,638	8,351	75,000	(66,649)
Total instruction	40,055	30,799	126,500	(95,701)
Student support services:				
Salaries	15,000	15,000	15,000	-
Employee benefits	1,165	1,111	1,294	(183)
Total student support services	16,165	16,111	16,294	(183)
Instructional support services:				
Salaries	-	-	40,000	(40,000)
Employee benefits	119	446	11,150	(10,704)
Purchased professional and technical services	10,899	-	-	-
Supplies	-	-	15,000	(15,000)
Total instructional support services	11,018	446	66,150	(65,704)
General administration:				
Purchased professional and technical services	329	-	-	-
Other purchased services	3,015	2,265	5,000	(2,735)
Total general administration	3,344	2,265	5,000	(2,735)

(continued)

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Supplemental General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
(continued)				
Operations and maintenance:				
Purchased property services	\$ 84,693	\$ -	\$ 20,000	\$ (20,000)
Supplies	-	-	8,865	(8,865)
Total operations and maintenance	84,693	-	28,865	(28,865)
Operations and maintenance - transportation:				
Supplies	9,392	56	-	56
Total operations and maintenance - transportation	9,392	56	-	56
Community services operations	-	-	68,191	(68,191)
Total community service operations	-	-	68,191	(68,191)
Operating transfers out:				
At Risk (4 Year Old)	33,153	19,997	24,000	(4,003)
At Risk (K-12)	90,000	75,000	50,000	25,000
Bilingual Education	-	17,000	50,000	(33,000)
Driver Training	-	-	20,000	(20,000)
Food Service	17,000	35,000	35,000	-
Professional Development	-	6,000	40,000	(34,000)
Summer School	-	-	20,000	(20,000)
Special Education	100,000	100,000	100,000	-
Vocational Education	150,632	116,250	105,000	11,250
Even Start	22,000	22,000	-	22,000
21st Century Grant	22,017	46,191	-	46,191
Technolgy Rich Classroom	20,000	-	-	-
Total operating transfers out	454,802	437,438	444,000	(6,562)
Total	619,469	487,115	\$ 755,000	\$ (267,885)
Expenditures not subject to Legal Max Budget:				
Daycare	54,311	44,744		
Total expenditures	673,780	531,859		
Receipts over (under) expenditures	14,144	(7,556)		
Unencumbered cash, beginning	235,037	249,181		
Unencumbered cash, ending	\$ 249,181	\$ 241,625		

* See Note 2C (K.S.A. 72-6434(d) presentation)

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
At Risk Fund (4 Year Old)
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 24,072	\$ 33,465	\$ 36,108	\$ (2,643)
Transfer from Supplemental General	33,153	19,997	24,000	(4,003)
Total cash receipts	<u>57,225</u>	<u>53,462</u>	<u>\$ 60,108</u>	<u>\$ (6,646)</u>
Expenditures:				
Instruction:				
Salaries	39,200	39,800	\$ 39,800	\$ -
Employee benefits	7,953	8,160	8,041	119
Purchased professional and technical services	-	-	10,000	10,000
Supplies	562	-	2,159	(2,159)
Total instruction	<u>47,715</u>	<u>47,960</u>	<u>60,000</u>	<u>7,960</u>
Total expenditures	<u>47,715</u>	<u>47,960</u>	<u>\$ 60,000</u>	<u>\$ 7,960</u>
Receipts over expenditures	9,510	5,502		
Unencumbered cash, beginning	<u>15,776</u>	<u>25,286</u>		
Unencumbered cash, ending	<u>\$ 25,286</u>	<u>\$ 30,788</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
At Risk Fund (K-12)
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 359,475	\$ 372,047	\$ 391,170	\$ (19,123)
Transfer from Supplemental General	90,000	75,000	50,000	25,000
Total cash receipts	449,475	447,047	\$ 441,170	\$ 5,877
Expenditures:				
Instruction:				
Salaries	351,511	343,704	\$ 343,982	\$ (278)
Employee benefits	63,241	59,090	59,271	(181)
Purchased professional and technical services	16,430	15,697	30,000	(14,303)
Other purchased services	-	-	10,000	(10,000)
Supplies	289	37	62,080	(62,043)
Total instruction	431,471	418,528	505,333	(86,805)
Support services:				
Salaries	233	2,024	-	2,024
Employee benefits	18	152	-	152
Total support services	251	2,176	-	2,176
Student transportation services:				
Salaries	-	-	5,000	(5,000)
Employee benefits	-	-	5,000	(5,000)
Total student transportation services	-	-	10,000	(10,000)
Total expenditures	431,722	420,704	\$ 515,333	\$ (94,629)
Receipts over expenditures	17,753	26,343		
Unencumbered cash, beginning	56,411	74,164		
Unencumbered cash, ending	<u>\$ 74,164</u>	<u>\$ 100,507</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Bilingual Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 119,558	\$ 131,102	\$ 145,234	\$ (14,132)
Transfer from Supplemental General	-	17,000	50,000	(33,000)
Interest	-	9,871	-	9,871
Total cash receipts	119,558	157,973	\$ 195,234	\$ (37,261)
Expenditures:				
Instruction:				
Salaries	121,932	129,189	\$ 128,458	\$ 731
Employee benefits	17,680	23,356	19,303	4,053
Purchased professional and technical services	610	2,067	25,000	(22,933)
Other purchased services	17	-	-	-
Supplies	2,252	121	59,273	(59,152)
Total instruction	142,491	154,733	232,034	(77,301)
Total expenditures	142,491	154,733	\$ 232,034	\$ (77,301)
Receipts over (under) expenditures	(22,933)	3,240		
Unencumbered cash, beginning	59,732	36,799		
Unencumbered cash, ending	<u>\$ 36,799</u>	<u>\$ 40,039</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Capital Outlay Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 299,859	\$ 221,978	\$ 228,981	\$ (7,003)
Delinquent tax	1,195	808	1,514	(706)
Motor vehicle tax	5,834	5,648	5,977	(329)
Recreational vehicle tax	219	173	212	(39)
Other County sources	-	-	100	(100)
Other	24,700	6,723	5,000	1,723
Total cash receipts	331,807	235,330	\$ 241,784	\$ (6,454)
Expenditures:				
Instruction	6,778	35,363	\$ 50,000	\$ (14,637)
Student support services	-	-	50,000	(50,000)
Instructional support staff	-	-	50,000	(50,000)
General administration	-	-	50,000	(50,000)
School administration	3,877	2,258	50,000	(47,742)
Central services	-	-	50,000	(50,000)
Operations and maintenance	77,755	250,757	100,000	150,757
Transportation	18,179	17,958	50,000	(32,042)
Other support services	5,349	5,533	50,000	(44,467)
Land acquisition	-	-	100,000	(100,000)
Architectural & engineering services	514	-	5,000	(5,000)
Repairs and remodeling	117,166	76,724	119,787	(43,063)
Other	-	-	50,000	(50,000)
Total expenditures	229,618	388,593	\$ 774,787	\$ (386,194)
Receipts over (under) expenditures	102,189	(153,263)		
Unencumbered cash, beginning	584,267	686,456		
Unencumbered cash, ending	<u>\$ 686,456</u>	<u>\$ 533,193</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Driver Training Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Intergovernmental:				
State aid	\$ 1,100	\$ 740	\$ 1,750	\$ (1,010)
Federal aid	-	750	-	750
Transfer from Supplemental General	-	-	20,000	(20,000)
Other	-	2,325	-	2,325
Total cash receipts	1,100	3,815	\$ 21,750	\$ (17,935)
Expenditures:				
Instruction:				
Salaries	1,101	4,361	\$ 10,000	\$ (5,639)
Employee benefits	145	397	814	(417)
Purchased professional and technical services	-	2,385	10,000	(7,615)
Supplies	27	556	31,590	(31,034)
Total instruction	1,273	7,699	52,404	(44,705)
Vehicle operations and maintenance:				
Supplies	310	361	-	361
Total vehicle operations and maintenance	310	361	-	361
Operating transfers out:				
Supplemental General	40,000	-	-	-
Total operating transfers out	40,000	-	-	-
Total expenditures	41,583	8,060	\$ 52,404	\$ (44,344)
Receipts under expenditures	(40,483)	(4,245)		
Unencumbered cash, beginning	71,137	30,654		
Unencumbered cash, ending	<u>\$ 30,654</u>	<u>\$ 26,409</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Food Service Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
Intergovernmental:				
State aid	\$ 1,601	\$ 1,371	\$ 1,540	\$ (169)
Federal aid	118,467	100,728	123,840	(23,112)
Charges for services:				
Student	20,411	26,957	36,900	(9,943)
Adult	11,523	156	23,000	(22,844)
Miscellaneous	2,855	2,405	20,000	(17,595)
Interest	19,859	-	30,000	(30,000)
Transfer from Supplemental General	17,000	35,000	35,000	-
Total cash receipts	<u>191,716</u>	<u>166,617</u>	<u>\$ 270,280</u>	<u>\$ (103,663)</u>
Expenditures:				
Operations and maintenance:				
Purchased property services	-	5,000	-	5,000
Other purchased services	-	-	5,000	(5,000)
Supplies	3,965	3,660	15,000	(11,340)
Other	75	55	5,000	(4,945)
Total operations and maintenance	<u>4,040</u>	<u>8,715</u>	<u>25,000</u>	<u>(16,285)</u>
Food service operation:				
Salaries	57,836	50,427	75,000	(24,573)
Employee benefits	12,451	13,731	15,097	(1,366)
Purchased professional and technical services	5,000	-	-	-
Other purchased services	3,387	4,870	10,000	(5,130)
Supplies	101,421	94,268	125,000	(30,732)
Property	6,296	3,929	20,000	(16,071)
Other	-	-	10,000	(10,000)
Total food service operation	<u>186,391</u>	<u>167,225</u>	<u>255,097</u>	<u>(87,872)</u>
Total expenditures	<u>190,431</u>	<u>175,940</u>	<u>\$ 280,097</u>	<u>\$ (104,157)</u>
Receipts over (under) expenditures	1,285	(9,323)		
Unencumbered cash, beginning	<u>65,844</u>	<u>67,129</u>		
Unencumbered cash, ending	<u>\$ 67,129</u>	<u>\$ 57,806</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Professional Development Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Under (Under)
		Actual	Budget	
Cash receipts:				
Federal sources	\$ 5,000	\$ -	\$ -	\$ -
Other	-	-	15,000	(15,000)
Transfer from Supplemental General	-	6,000	40,000	(34,000)
Total cash receipts	5,000	6,000	\$ 55,000	\$ (49,000)
Expenditures:				
Instruction support staff:				
Salaries	7,448	10,767	\$ 25,000	\$ (14,233)
Employee benefits	823	1,148	5,086	(3,938)
Purchased professional and technical services	2,390	1,774	15,000	(13,226)
Other purchased services	11,537	5,727	15,000	(9,273)
Supplies	1,000	480	10,000	(9,520)
Total instruction support staff	23,198	19,896	70,086	(50,190)
Other supplemental services:				
Purchased professional and technical services	5,730	9,803	15,000	(5,197)
Total other supplemental services	5,730	9,803	15,000	(5,197)
Total expenditures	28,928	29,699	\$ 85,086	\$ (55,387)
Receipts under expenditures	(23,928)	(23,699)		
Unencumbered cash, beginning	72,568	48,640		
Unencumbered cash, ending	<u>\$ 48,640</u>	<u>\$ 24,941</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Summer School Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
Tuition	\$ -	\$ 600	\$ 3,000	\$ (2,400)
Transfer from Supplemental General	-	-	20,000	(20,000)
Total cash receipts	-	600	<u>\$ 23,000</u>	<u>\$ (22,400)</u>
Expenditures:				
Instruction:				
Salaries	423	968	\$ 25,000	\$ (24,032)
Employee benefits	56	140	2,046	(1,906)
Purchased professional and technical services	-	-	15,000	(15,000)
Other purchased services	-	-	5,000	(5,000)
Supplies	2,327	299	15,000	(14,701)
Total expenditures	2,806	1,407	<u>\$ 62,046</u>	<u>\$ (60,639)</u>
Receipts under expenditures	(2,806)	(807)		
Unencumbered cash, beginning	58,518	55,712		
Unencumbered cash, ending	<u>\$ 55,712</u>	<u>\$ 54,905</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Special Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 155,392	\$ 139,244	\$ 157,153	\$ (17,909)
Transfer from Supplemental General	100,000	100,000	100,000	-
Total cash receipts	<u>255,392</u>	<u>239,244</u>	<u>\$ 257,153</u>	<u>\$ (17,909)</u>
Expenditures:				
Instruction:				
Payments to High Plains Educational Cooperative	236,026	187,346	\$ 260,000	\$ (72,654)
Salaries	1,305	1,300	-	1,300
Employee benefits	101	101	-	101
Supplies	-	-	5,000	(5,000)
Total instruction	<u>237,432</u>	<u>188,747</u>	<u>265,000</u>	<u>(76,253)</u>
Student transportation services:				
Salaries	4,500	2,000	7,500	(5,500)
Other purchased services	500	500	-	500
Supplies	1,600	4,012	2,500	1,512
Other	375	803	-	803
Total student transportation services	<u>6,975</u>	<u>7,315</u>	<u>10,000</u>	<u>(2,685)</u>
Total expenditures	<u>244,407</u>	<u>196,062</u>	<u>\$ 275,000</u>	<u>\$ (78,938)</u>
Receipts over expenditures	10,985	43,182		
Unencumbered cash, beginning	<u>317,935</u>	<u>328,920</u>		
Unencumbered cash, ending	<u>\$ 328,920</u>	<u>\$ 372,102</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Vocational Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 39,719	\$ 35,433	\$ 46,940	\$ (11,507)
Transfer from Supplemental General	150,632	116,250	105,000	11,250
Total cash receipts	190,351	151,683	\$ 151,940	\$ (257)
Expenditures:				
Instruction:				
Salaries	117,802	118,737	\$ 116,619	\$ 2,118
Employee benefits	23,471	24,256	23,947	309
Purchased professional and technical services	-	-	10,000	(10,000)
Other purchased services	-	-	10,000	(10,000)
Supplies	6,317	2,220	30,000	(27,780)
Total instruction	147,590	145,213	190,566	(45,353)
Student support services:				
Purchased professional and technical services	-	-	10,000	(10,000)
Supplies	-	-	10,000	(10,000)
Total student support services	-	-	20,000	(20,000)
Instruction support staff:				
Other purchased services	4,196	(265)	-	(265)
Supplies	2,576	5,098	10,000	(4,902)
Total instruction support staff	6,772	4,833	10,000	(5,167)
Total expenditures	154,362	150,046	\$ 220,566	\$ (70,520)
Receipts over expenditures	35,989	1,637		
Unencumbered cash, beginning	65,328	101,317		
Unencumbered cash, ending	\$ 101,317	\$ 102,954		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
KPERs Special Retirement Contribution Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
State sources	\$ 85,202	\$ 223,349	\$ 187,988	\$ 35,361
Total cash receipts	85,202	223,349	\$ 187,988	\$ 35,361
Expenditures:				
Instruction	100,000	99,366	\$ 133,166	\$ (33,800)
Student support	6,570	2,799	4,289	(1,490)
Instructional support	6,570	5,629	5,736	(107)
General administration	14,209	6,966	10,161	(3,195)
School administration	14,565	11,196	12,620	(1,424)
Operations and maintenance	13,314	7,807	10,105	(2,298)
Student transportation services	6,570	1,990	5,836	(3,846)
Food services	6,801	4,199	6,075	(1,876)
Total expenditures	168,599	139,952	\$ 187,988	\$ (48,036)
Receipts over (under) expenditures	(83,397)	83,397		
Unencumbered cash (deficit), beginning	-	(83,397)		
Unencumbered cash (deficit), ending	\$ (83,397)	\$ -		

See Schedule 2 for KDOE presentation.

UNIFIED SCHOOL DISTRICT NO. 216
 DEERFIELD, KANSAS
 Textbook Rental Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	<u>Prior Year</u>	<u>Actual</u>
Cash receipts:		
Fees	<u>\$ 9,708</u>	<u>\$ 11,267</u>
Expenditures:		
Instruction:		
Textbooks	<u>3,762</u>	<u>3,814</u>
Receipts over expenditures	5,946	7,453
Unencumbered cash, beginning	<u>10,588</u>	<u>16,534</u>
Unencumbered cash, ending	<u><u>\$ 16,534</u></u>	<u><u>\$ 23,987</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
 DEERFIELD, KANSAS
 Contingency Reserve Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Actual
Cash receipts:		
Transfer from General	\$ -	\$ -
Total cash receipts	-	-
Expenditures:		
Contingencies	-	-
Total expenditures	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning	282,440	282,440
Unencumbered cash, ending	<u>\$ 282,440</u>	<u>\$ 282,440</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Grant Activity
Statement of Cash Receipts and Expenditures
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	2011 Title I, Part A	2011 Title II, Part A	2011 Migrant Education
Cash receipts:			
Federal grants	\$ 122,587	\$ 15,985	\$ 90,000
Transfer from other funds	-	-	-
Total cash receipts	<u>122,587</u>	<u>15,985</u>	<u>90,000</u>
Expenditures:			
Administration:			
Salaries	-	-	-
Employee benefits	-	-	-
Other			
purchased services	-	-	4,245
Other	227	-	2,000
Instruction:			
Salaries	103,447	10,700	61,574
Employee benefits	18,504	1,961	13,752
Inservice	-	3,324	192
Other			
purchased services	-	-	-
Supplies	409	-	5,551
Transportation	-	-	260
Student body activities	-	-	1,620
Equipment	-	-	806
Total expenditures	<u>122,587</u>	<u>15,985</u>	<u>90,000</u>
Receipts over expenditures	-	-	-
Unencumbered cash, beginning	-	-	-
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATEMENT 3-P

<u>2011 Migrant Family Literacy</u>	<u>2011 Small Rural School</u>	<u>2011 Title II Education Technology</u>	<u>2011 21st Century Grant</u>	<u>Total (Memorandum Only)</u>	<u>Total Prior Year (Memorandum Only)</u>
\$ 88,000	\$ 17,125	\$ 299	\$ 78,151	\$ 412,147	\$ 468,129
22,000	-	-	46,191	68,191	64,017
<u>110,000</u>	<u>17,125</u>	<u>299</u>	<u>124,342</u>	<u>480,338</u>	<u>532,146</u>
-	-	-	-	-	7,105
-	-	-	-	-	416
-	-	-	-	4,245	-
2,500	-	-	-	4,727	23,344
71,724	-	-	68,520	315,965	362,503
13,782	-	-	10,120	58,119	69,895
3,884	7,634	-	8,730	23,764	29,232
-	-	-	3,348	3,348	911
15,710	9,491	299	33,624	65,084	34,355
-	-	-	-	260	3,714
-	-	-	-	1,620	579
2,400	-	-	-	3,206	92
<u>110,000</u>	<u>17,125</u>	<u>299</u>	<u>124,342</u>	<u>480,338</u>	<u>532,146</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Recreation Commission Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 198,876	\$ 147,986	\$ 152,655	\$ (4,669)
Delinquent tax	607	495	1,010	(515)
Motor vehicle tax	2,843	3,209	3,342	(133)
Recreational vehicle tax	108	100	118	(18)
Other County sources	31	32	48,874	(48,842)
Total cash receipts	202,465	151,822	\$ 205,999	\$ (54,177)
Expenditures:				
Recreation Commission - general	201,662	151,578	\$ 210,184	\$ (58,606)
Recreation Commission - benefits	803	244	650	(406)
Total expenditures	202,465	151,822	\$ 210,834	\$ (59,012)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
 DEERFIELD, KANSAS
 Irene B. James Scholarship
 Statement of Cash Receipts and Expenditures
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	<u>Prior Year</u>	<u>Actual</u>
Cash receipts:		
Interest	<u>\$ 106</u>	<u>\$ 827</u>
Total cash receipts	<u> 106</u>	<u> 827</u>
Expenditures:		
Scholarships	<u> 697</u>	<u> 231</u>
Receipts over (under) expenditures	(591)	596
Unencumbered cash, beginning	25,725	25,135
Prior year canceled encumbrances	<u> -</u>	<u> 232</u>
Unencumbered cash, ending	<u><u>\$ 25,134</u></u>	<u><u>\$ 25,963</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Deerfield Scholarship
Statement of Cash Receipts and Expenditures
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	<u>Prior Year</u>	<u>Actual</u>
Cash receipts:		
Interest	<u>\$ -</u>	<u>\$ -</u>
Expenditures:		
Scholarships	<u>-</u>	<u>-</u>
Receipts over expenditures	-	-
Unencumbered cash, beginning	<u>3,081</u>	<u>3,081</u>
Unencumbered cash, ending	<u>\$ 3,081</u>	<u>\$ 3,081</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
 DEERFIELD, KANSAS
 Western Kansas Community Foundation
 Statement of Cash Receipts and Expenditures
 For the Year Ended June 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Actual
Cash receipts:		
Donations	\$ -	\$ 555
Expenditures:		
Scholarships	-	-
Receipts over expenditures	-	555
Unencumbered cash, beginning	-	-
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ 555</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Student Activity Funds
Statement of Cash Receipts and Cash Disbursements
For the Year Ended June 30, 2011

<u>Student Organization Accounts</u>	<u>Balance 7/1/10</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance 6/30/11</u>
Band	\$ 18	\$ 100	\$ 7	\$ 111
Seniors	2,647	5,730	8,377	-
Juniors	6,280	16,805	6,156	16,929
Sophomores	7,144	4,128	7,324	3,948
Freshman	1,479	-	1,085	394
Odyssey of the Mind	581	7,125	6,821	885
Unallocated Interest	136	-	136	-
Concession Stand	2,305	18,722	19,292	1,735
Drama	654	1,629	1,692	591
Forensics	5,555	2,034	1,718	5,871
FCCLA	3,239	3,808	5,105	1,942
FAA	1,805	10,612	8,525	3,892
William Allen White	213	-	-	213
High School Scholars' Bowl	598	-	-	598
Middle School Scholars' Bowl	30	-	-	30
Elementary IRC	440	88	-	528
Middle School IRC	139	88	31	196
High School IRC	155	88	230	13
High School Student Council	576	1,014	1,435	155
Middle School Student Council	97	66	-	163
Yearbook	3,165	570	2,259	1,476
Shop Projects	-	399	399	-
Student Activities' Rewards	1,801	2,112	598	3,315
Electric Car Rally	2,291	-	-	2,291
Middle School Cheerleaders	678	767	885	560
High School Cheerleaders	158	1,625	1,396	387
Total	\$ 42,184	\$ 77,510	\$ 73,471	\$ 46,223

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
District Activity Funds
Statement of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2011

	Unencumbered Cash Balance 7/1/10	Cash Receipts	Expenditures	Unencumbered Cash Balance 6/30/11	Outstanding Encumbrances and Accounts Payable	Treasurer's Cash Balance 6/30/11
<u>User Fees and Gate Receipts</u>						
Athletics	\$ -	\$ 24,375	\$ 24,375	\$ -	\$ 4,063	\$ 4,063
Fees	-	6,529	6,529	-	25	25
Officials	-	8,878	8,878	-	-	-
Revolving account	-	13,169	13,169	-	339	339
Sales tax	-	581	581	-	262	262
	<u>-</u>	<u>53,532</u>	<u>53,532</u>	<u>-</u>	<u>4,689</u>	<u>4,689</u>
Total user fees and gate receipts	<u>\$ -</u>	<u>\$ 53,532</u>	<u>\$ 53,532</u>	<u>\$ -</u>	<u>\$ 4,689</u>	<u>\$ 4,689</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies

A. Financial reporting entity

The District is a municipal corporation governed by an elected seven-member board. These financial statements present the Unified School District No. 216, Deerfield, Kansas, (the primary government) only. The organizations, functions or activities discussed below are component units of the District's reporting entity because of the significance of their operational or financial relationships with the District; however, they are not included in the District's primary government financial statements.

The Deerfield Recreation Commission has its own Board of Directors, which operates independently from the District. The Recreation Commission oversees recreational activities and has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission is a separate, legal municipality that prepares and publishes its own budget. The taxes budgeted by the Recreation Commission are levied by the District and are required to be distributed to the Recreation Commission. Increases in levies above statutory minimums must be initially approved by the District. The Recreation Commission can sue and be sued, but acquisition of real property (other than by gift) by the Commission must be approved by the District. Bond issues must be approved by the District. In addition, the District has power of appointment with regard to the Board of Directors of the Recreation Commission. The Board of Directors is responsible for the management and fiscal accountability of the Recreation Commission. The financial reports of the Recreation Commission are available from the Deerfield Recreation Commission.

B. Measurement focus, basis of accounting and basis of presentation

These financial statements are presented on a statutory 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. Expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's 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. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

C. Waiver of financial reporting requirements

The District's Board of Education has determined by resolution that financial statements prepared in conformity with generally accepted accounting principles are not relevant to the requirements of the cash basis and budget laws of the State of Kansas and are of no significant value to the Board, the District or the members of the general public of the District. The District approved the resolution which served as notice of the District's election to waive the requirements for reporting of its financial data in conformity with accounting principles generally accepted in the United States of America, as provided and authorized by K.S.A. 75-1120a.

D. 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

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies (continued)

D. Departure from accounting principles generally accepted in the United States of America (continued)

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, capital leases, temporary notes and compensated absences are not presented in the financial statements.

E. Fund 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 are used by the District:

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 special assessments or major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Debt Service Funds - to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt and the financing of special assessments which are general obligations of the District.

Capital Project Funds - to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).

Fiduciary Funds

Trust and Agency Funds - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: a) Expendable Trust Funds, b) Nonexpendable Trust Funds, c) Pension Trust Funds and d) Agency Funds.

Proprietary Funds

Internal Service Funds - to account for the financing on a cost-reimbursement basis of goods and services provided by one department or agency to other departments or outside agencies.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies (continued)

F. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the District (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits, time deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments with the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned is allocated as designated by the Board.

G. Property taxes and special assessments

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed to the District by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the District by June 5th. The District Treasurer draws available funds from the County Treasurer's office at designated times throughout the year.

H. Compensated absences

The District's policy is to recognize the costs of compensated absences when actually paid. Employees are not allowed to accumulate unused vacation leave. Employees may earn a maximum of 40 hours of paid personal leave per year. No accumulation of unused personal leave is allowed except for certified employees who may roll over unused days into their sick/bereavement accrual each year.

The District's policy regarding paid leave permits employees to accumulate sick/bereavement leave at a maximum rate of 96 hours per year up to 560 hours. The policy prohibits payment for leave time in lieu of time off except at time of retirement for certified and classified employees working 15 or more years for the District and for hours accumulated over 480 hours. The District has determined the liability for accumulated leave pay at June 30, 2011, to be \$42,176.

I. Interfund transactions

Quasi-external transactions (i.e., transactions that would be treated as revenues or expenses if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as cash receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

1. Summary of significant accounting policies (continued)

J. Reimbursements

A reimbursement is an expenditure or expense initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, the District records an expenditure (or expense) in the reimbursing fund and a reduction of expenditure (or expense) in the reimbursed fund, following the authoritative guidance of the *Governmental Accounting, Auditing and Financial Reporting*.

K. Memorandum totals

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. No consolidated financial information is presented nor is all required disclosures presented for these amounts.

L. Comparative data

The statutory basis financial statements include certain prior year comparative information in order to provide an understanding of the changes in the cash receipts and expenditures of the funds, but not at the level of detail required for a presentation in conformity with the statutory 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 the summarized information was derived.

2. Stewardship, compliance and accountability

A. 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), debt service funds and enterprise funds. Although directory rather than mandatory, 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 on or before August 15th.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 15th.
3. Public hearing on or before August 25th, 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. There were no budget amendments for the fiscal year ended June 30, 2011. However, a qualifying budget adjustment for expenditures outside the legal maximum budget for the Supplemental General fund exists as allowed per K.S.A. 72-8236 for day care expenditures.

The legal level of budgetary control is the fund level. 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.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

2. Stewardship, compliance and accountability (continued)

A. Budgetary information (continued)

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's 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 project funds, fiduciary 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.

B. Compliance with Kansas statutes

References made herein to the statutes are not intended as interpretations of the law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and the legal representation of the District. No material violations were noted; however, the following immaterial violation was noted:

- K.S.A. 72-6760 requires bids be taken and approved by the Board prior to making major expenditures exceeding \$20,000. In the current year, electrical work was done for \$20,466 without presenting bids for Board approval.

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UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

2. Stewardship, compliance and accountability (continued)

C. Compliance with K.S.A. 72-6417(d) and K.S.A. 72-6434(d)

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) require the District to record any payment of general state aid that is due to be paid during the month of June and is paid to the District after June 30, as a receipt for the fiscal year ending June 30th. The following table reflects the revenues as required by statutes.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Statutory and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 1,318,840	\$ 972,018	\$ 1,002,389	\$ (30,371)
Delinquent tax	4,746	3,028	6,659	(3,631)
Federal aid	130,256	125,690	45,689	80,001
State sources	948,603	1,302,178	1,408,690	(106,512)
Mineral production tax	28,827	55,349	28,827	26,522
Total cash receipts	2,431,272	2,458,263	\$ 2,492,254	\$ (33,991)
Expenditures:				
Instruction	748,742	842,453	\$ 790,070	\$ 52,383
Student support services	46,472	47,106	47,360	(254)
Instructional support staff	6,566	7,622	7,820	(198)
General administration	249,840	193,761	196,822	(3,061)
School administration	220,186	189,367	188,859	508
Operations and maintenance	375,755	381,009	391,507	(10,498)
Transportation operation and maintenance	3,068	3,294	2,500	794
Vehicle operating services	79,408	78,866	39,437	39,429
Vehicle services and maintenance services	3,019	3,494	51,274	(47,780)
Operating transfers out	698,216	711,291	776,605	(65,314)
Adjustment to legal max	-	-	(33,991)	33,991
Total expenditures	2,431,272	2,458,263	\$ 2,458,263	\$ -
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

2. Stewardship, compliance and accountability (continued)

C. Compliance with K.S.A. 72-6417(d) and K.S.A. 72-6434(d) (continued)

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Supplemental General Fund
Statement of Cash Receipts and Expenditures - Statutory and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 599,086	\$ 484,881	\$ 542,689	\$ (57,808)
Delinquent tax	2,200	1,566	3,029	(1,463)
Motor vehicle tax	10,457	11,011	11,609	(598)
Recreational vehicle tax	391	338	411	(73)
Other	34,790	26,507	-	26,507
Transfer from Driver Training	40,000	-	-	-
Total cash receipts	686,924	524,303	\$ 557,738	\$ (33,435)
Expenditures:				
Instruction:				
Salaries	-	-	\$ 20,000	\$ (20,000)
Employee benefits	286	523	1,500	(977)
Purchased professional and technical services	-	21,331	20,000	1,331
Other purchased services	13,131	594	10,000	(9,406)
Supplies	26,638	8,351	75,000	(66,649)
Total instruction	40,055	30,799	126,500	(95,701)
Student support services:				
Salaries	15,000	15,000	15,000	-
Employee benefits	1,165	1,111	1,294	(183)
Total student support services	16,165	16,111	16,294	(183)
Instructional support services:				
Salaries	-	-	40,000	(40,000)
Employee benefits	119	446	11,150	(10,704)
Purchased professional and technical services	10,899	-	-	-
Supplies	-	-	15,000	(15,000)
Total instructional support services	11,018	446	66,150	(65,704)
General administration:				
Purchased professional and technical services	329	-	-	-
Other purchased services	3,015	2,265	5,000	(2,735)
Total general administration	3,344	2,265	5,000	(2,735)
Operations and maintenance:				
Purchased property services	84,693	-	20,000	(20,000)
Supplies	-	-	8,865	(8,865)
Total operations and maintenance	84,693	-	28,865	(28,865)

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

2. Stewardship, compliance and accountability (continued)

C. Compliance with K.S.A. 72-6417(d) and K.S.A. 72-6434(d) (continued)

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Supplemental General Fund
Statement of Cash Receipts and Expenditures - Statutory and Budget
For the Year Ended June 30, 2010
(With Comparative Actual Totals for the Prior Year Ended June 30, 2009)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
(continued)				
Operations and maintenance - transportation:				
Supplies	\$ 9,392	\$ 56	\$ -	\$ 56
Total operations and maintenance - transportation	<u>9,392</u>	<u>56</u>	<u>-</u>	<u>56</u>
Community services operations	-	-	68,191	(68,191)
Total community service operations	<u>-</u>	<u>-</u>	<u>68,191</u>	<u>(68,191)</u>
Operating transfers out:				
At Risk (4 Year Old)	33,153	19,997	24,000	(4,003)
At Risk (K-12)	90,000	75,000	50,000	25,000
Bilingual Education	-	17,000	50,000	(33,000)
Driver Training	-	-	20,000	(20,000)
Food Service	17,000	35,000	35,000	-
Professional Development	-	6,000	40,000	(34,000)
Summer School	-	-	20,000	(20,000)
Special Education	100,000	100,000	100,000	-
Vocational Education	150,632	116,250	105,000	11,250
Even Start	22,000	22,000	-	22,000
21st Century Grant	22,017	46,191	-	46,191
Technolgy Rich Classroom	20,000	-	-	-
Total operating transfers out	<u>454,802</u>	<u>437,438</u>	<u>444,000</u>	<u>(6,562)</u>
Total	<u>619,469</u>	<u>487,115</u>	<u>\$ 755,000</u>	<u>\$ (267,885)</u>
Expenditures not subject to Legal Max Budget:				
Daycare	54,311	44,744		
Total expenditures	<u>673,780</u>	<u>531,859</u>		
Receipts over (under) expenditures	13,144	(7,556)		
Unencumbered cash, beginning	236,037	249,181		
Unencumbered cash, ending	<u>\$ 249,181</u>	<u>\$ 241,625</u>		

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

3. Detailed notes on all funds

A. Deposits and investments

A reconciliation of cash and investments as shown in the composition of cash on the summary of cash receipts, expenditures and unencumbered cash on Statement 1 is as follows:

Carrying amount of deposits	\$ 2,457,338
Total cash	\$ 2,457,338

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, 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. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District'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. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk

State statutes place no limit on the amount the District 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, the District's deposits may not be returned to it. State statutes require the District'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 or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The District does not use designated "peak periods".

At June 30, 2011, the District's carrying amount of deposits was \$2,457,338 and the bank balance was \$2,540,936. Of the bank balance, 100% was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$1,150,616 was covered by federal depository insurance and \$1,390,320 was collateralized with securities held by the pledging financial institutions' agents in the District's name. The District's cash deposits by financial institution and category of coverage at year-end are as follows:

	Kearny County Bank	Commerce Bank
FDIC coverage	\$ 250,000	\$ 900,616
Pledged securities at market value	605,502	2,241,361
Total coverage	\$ 855,502	\$ 3,141,977
Funds on deposit	\$ 681,053	\$ 1,859,883
Funds at risk	\$ -	\$ -

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

Custodial credit risk – investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District 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. The District had no investments of this type at June 30, 2011.

B. Interfund transfers

Interfund operating transfers are as follows:

<u>From</u>	<u>To</u>	
General	At Risk (4 Year Old)	\$ 33,465
General	At Risk (K-12)	372,047
General	Bilingual Education	131,102
General	Special Education	139,244
General	Vocational Education	35,433
Supplement General	At Risk (4 Year Old)	19,997
Supplement General	At Risk (K-12)	75,000
Supplement General	Bilingual Education	17,000
Supplement General	Food Service	35,000
Supplement General	Professional Development	6,000
Supplement General	Special Education	100,000
Supplement General	Vocational Education	116,250
Supplement General	Even Start	22,000
Supplement General	21st Century Grant	46,191
Total		<u>\$ 1,148,729</u>

C. Capital projects in process

Capital project authorizations with approved change orders compared to disbursements and accounts payable from project inception at June 30, 2011, are as follows:

	<u>Project Authorization</u>	<u>Disbursements and Accounts Payable to Date</u>	<u>Committed</u>
Remodeling of school buildings	\$ 47,383	\$ 46,821	\$ -
High school air conditioning system	77,038	77,038	-
Vocational education building expansion	11,970	11,970	-
Track repairs	30,000	30,000	-
Heating and air system	148,582	25,024	135,752

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

3. Detailed notes on all funds (continued)

D. Long-term debt

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

	Balance 7/1/10	Net Change	Balance 6/30/11
Employee compensated absences payable:			
Accrued sick/bereavement leave (net change)	\$ 33,686	\$ 8,490	\$ 42,176
 Total long-term debt	 \$ 33,686	 \$ 8,490	 \$ 42,176

No interest was paid in fiscal year 2011.

Legal debt margin

The debt limit per K.S.A. 72-6761 is fourteen percent of the assessed valuation of taxable tangible property within the District, except that such limitation may be modified as provided in K.S.A. 75-2318. The amount of debt outstanding does not exceed the statutory limit.

4. Other information

A. Risk management and self-insurance

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. The District has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State of Kansas to participate in Risk Management Services, Inc. (RMS), a public entity risk pool currently operating as a common risk management and insurance program for 66 participating members.

The District pays an annual premium to the RMS for its workers' compensation insurance coverage. The District's contractual agreement with RMS provides that RMS will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by RMS' management.

The District continues to carry commercial insurance for all other risks of loss. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

B. Commitments and contingencies

Commitments

The District is party to a service agreement with Southwest Plains Regional Service Center for communications facilities and services. The term of the agreement ended at June 30, 2003, and future payments are to be determined on an annual basis. Payments for the year ended June 30, 2011, amounted to \$177,027.

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Financial Statements
For the Year Ended June 30, 2011

4. Other information (continued)

B. Commitments and contingencies (continued)

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 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 applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the District at June 30, 2011.

The District is currently involved in pending litigation. The outcomes of these matters in process have not been determined, but the District's legal counsel and insurance provider believe insurance will cover any potential claims. Consequently, they should not have a material effect on any of the financial statements of the District at June 30, 2011.

C. Post-employment health care benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no direct cost to the District under this program.

D. Defined benefit pension plan

Plan description: The Unified School District No. 216 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 Avenue, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

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. The State of Kansas currently contributes 9.17% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. The State of Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010 and 2009, were \$253,834,044, \$248,468,186, and \$242,277,363, respectively, equal to the required contributions for each year as set forth by the legislature. The amounts attributable to the District for the years ending June 30, 2011, 2010 and 2009, were \$139,952, \$168,599, and \$173,662, respectively.

SUPPLEMENTAL INFORMATION

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
General Fund
Schedule of Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Instruction:				
Salaries	\$ 571,383	\$ 573,411	\$ 602,500	\$ (29,089)
Employee benefits	95,098	99,712	100,679	(967)
Purchased professional and technical services	40,813	128,992	40,000	88,992
Purchased property services	5,128	4,924	5,191	(267)
Other purchased services	22,117	19,615	22,000	(2,385)
Supplies	14,203	15,799	19,700	(3,901)
Total instruction	748,742	842,453	790,070	52,383
Student support services:				
Salaries	37,555	37,949	37,949	-
Employee benefits	8,399	8,066	7,911	155
Purchased professional and technical services	-	-	600	(600)
Supplies	518	1,091	500	591
Other	-	-	400	(400)
Total student support services	46,472	47,106	47,360	(254)
Instructional support staff:				
Salaries	4,891	4,929	5,819	(890)
Employee benefits	682	856	501	355
Supplies	993	1,837	1,500	337
Total instructional support staff	6,566	7,622	7,820	(198)
General administration:				
Salaries	171,420	111,716	125,444	(13,728)
Employee benefits	26,399	27,235	30,378	(3,143)
Purchased professional and technical services	39,365	38,446	27,000	11,446
Other purchased services	3,028	3,924	3,500	424
Supplies	9,628	12,440	10,500	1,940
Total general administration	249,840	193,761	196,822	(3,061)
School administration:				
Salaries	179,950	159,928	155,802	4,126
Employee benefits	36,895	26,502	28,257	(1,755)
Purchased professional and technical services	-	87	-	87
Other purchased services	1,148	882	2,300	(1,418)
Supplies	2,193	1,968	2,500	(532)
Total school administration	220,186	189,367	188,859	508

(continued)

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
General Fund
Schedule of Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
(continued)				
Operations and maintenance:				
Salaries	\$ 109,060	\$ 98,103	\$ 124,747	\$ (26,644)
Employee benefits	41,263	43,536	43,992	(456)
Purchased professional and technical services	3,130	-	3,500	(3,500)
Purchased property services	63,774	58,005	63,000	(4,995)
Other purchased services	40,264	84,187	42,000	42,187
Supplies	118,264	97,178	114,268	(17,090)
Total operations and maintenance	375,755	381,009	391,507	(10,498)
Transportation operations and maintenance:				
Other purchased services	792	539	-	539
Supplies	2,276	2,755	2,500	255
Total transportation operations and maintenance	3,068	3,294	2,500	794
Vehicle operating services:				
Salaries	52,597	45,172	21,551	23,621
Employee benefits	12,621	9,624	2,886	6,738
Motor fuel	13,904	14,092	15,000	(908)
Other	286	9,978	-	9,978
Total vehicle operating services	79,408	78,866	39,437	39,429
Vehicle services and maintenance services:				
Salaries	-	-	33,000	(33,000)
Employee benefits	-	-	10,274	(10,274)
Purchased professional and technical services	-	323	5,000	(4,677)
Supplies	3,019	3,171	3,000	171
Total vehicle services and maintenance services	3,019	3,494	51,274	(47,780)

(continued)

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
General Fund
Schedule of Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
(continued)				
Operating transfers out:				
At Risk (4 Year Old)	\$ 24,072	\$ 33,465	\$ 36,108	\$ (2,643)
At Risk (K-12)	359,475	372,047	391,170	(19,123)
Bilingual Education	119,558	131,102	145,234	(14,132)
Special Education	155,392	139,244	157,153	(17,909)
Vocational Education	39,719	35,433	46,940	(11,507)
Contingency Reserve	-	-	-	-
Total operating transfers out	<u>698,216</u>	<u>711,291</u>	<u>776,605</u>	<u>(65,314)</u>
Adjustment to legal max	-	-	(33,991)	33,991
Total expenditures	<u>\$ 2,431,272</u>	<u>\$ 2,458,263</u>	<u>\$ 2,458,263</u>	<u>\$ -</u>

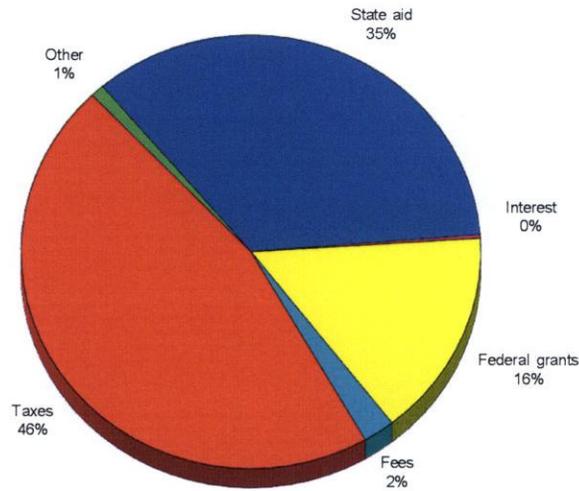
UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
KPERs Special Retirement Contribution Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

Prepared on the basis of the state aid that is due to be paid during the month of June and is paid to the District after June 30, recorded as a receipt for the fiscal year ending June 30th.

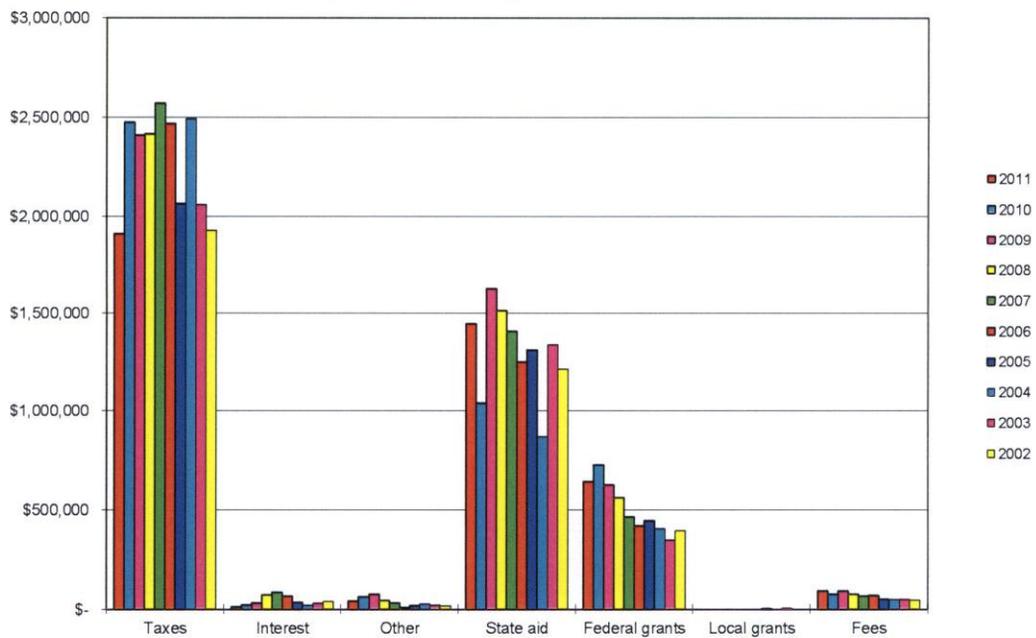
	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
State sources	\$ 168,599	\$ 139,952	\$ 187,988	\$ (48,036)
Total cash receipts	<u>168,599</u>	<u>139,952</u>	<u>\$ 187,988</u>	<u>\$ (48,036)</u>
Expenditures:				
Instruction	100,000	99,366	\$ 133,166	\$ (33,800)
Student support	6,570	2,799	4,289	(1,490)
Instructional support	6,570	5,629	5,736	(107)
General administration	14,209	6,966	10,161	(3,195)
School administration	14,565	11,196	12,620	(1,424)
Operations and maintenance	13,314	7,807	10,105	(2,298)
Student transportation services	6,570	1,990	5,836	(3,846)
Food services	6,801	4,199	6,075	(1,876)
Total expenditures	<u>168,599</u>	<u>139,952</u>	<u>\$ 187,988</u>	<u>\$ (48,036)</u>
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 216
 DEERFIELD, KANSAS
 Comparison of Statutory Revenues
 For the Years Ended June 30

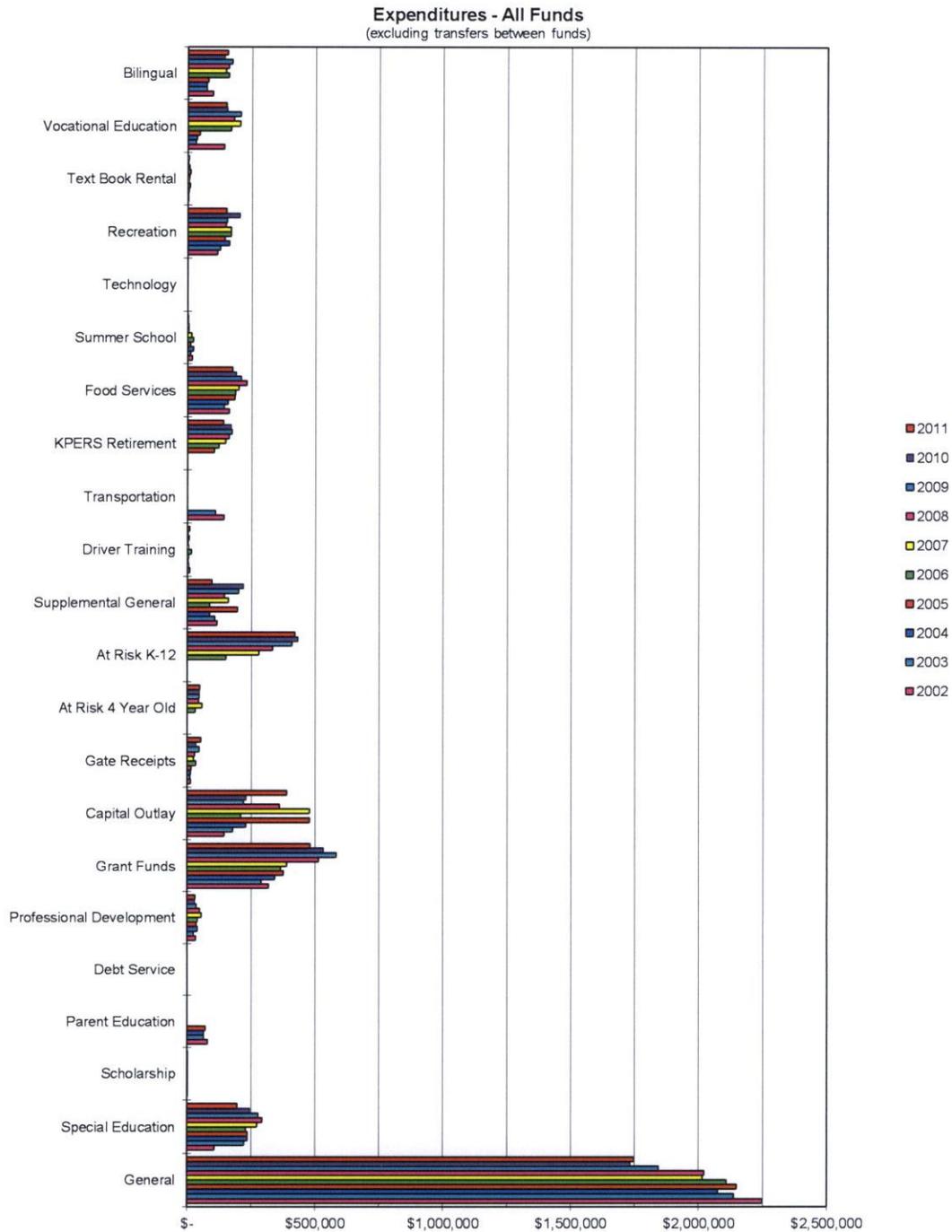
2011 Statutory Revenues - All Funds
 (excluding transfers between funds)



Comparison of Statutory Revenues - All Funds

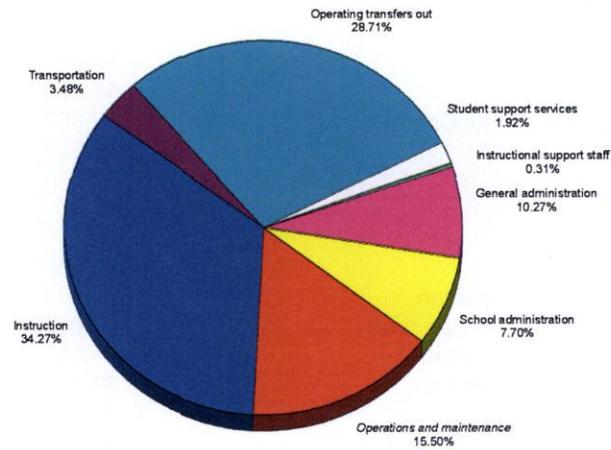


UNIFIED SCHOOL DISTRICT NO. 216
 DEERFIELD, KANSAS
 Comparison of Expenditures
 For the Years Ended June 30

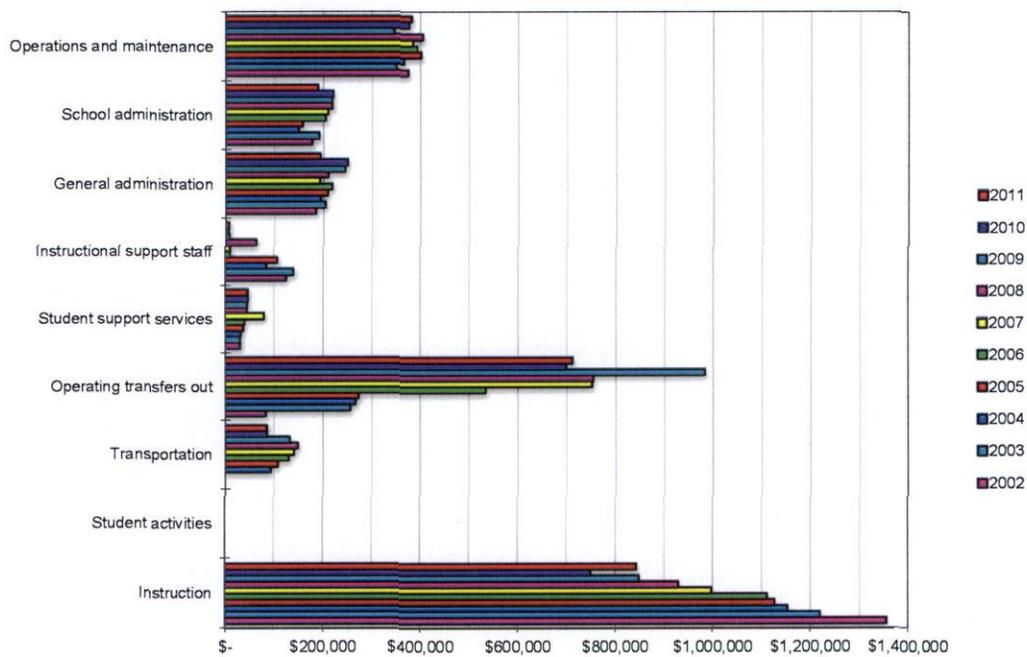


UNIFIED SCHOOL DISTRICT NO. 216
 DEERFIELD, KANSAS
 Comparison of Expenditures - General Fund
 For the Years Ended June 30

2011 Expenditures
 General Fund



Comparison of Expenditures
 General Fund



UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

<u>Grant Title</u>	<u>Federal CFDA Number</u>	<u>Clusters</u>	<u>Program Award Amount</u>
DEPARTMENT OF AGRICULTURE			
Passed through State Department of Education:			
2011 School Breakfast Program	10.553	A	\$ 17,863
2011 National School Lunch Program	10.555	A	80,297
2010 Summer Food Service Program for Children	10.559	A	4,776
2011 Team Nutrition Grants	10.574		550
DEPARTMENT OF EDUCATION			
Direct funding:			
Rural Education	84.358		17,125
Passed through State Department of Education:			
2011 Title I Grants to Local Educational Agencies	84.010	B	88,474
2011 Migrant Education State Grant Program	84.011	C	90,000
2010 Migrant Education State Grant Program	84.011	C	88,000
2011 21st Century Community Learning Center	84.287		78,151
2011 Education Technology State Grants	84.318		299
2011 Improving Teacher Quality State Grant	84.367		15,985
2010 Title I Grants to Local Educational Agencies, Recovery Act	84.389 - ARRA	B	68,225
2011 State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394 - ARRA		45,689
2011 Education Jobs Fund	84.410		80,001
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through State Department of Education:			
2011 Cooperative Agreements to Support Comprehensive School Health Programs	93.938		750
TOTAL			

SCHEDULE 3

Unencumbered Cash (Deficit) Balance <u>July 01, 2010</u>	<u>Cash Receipts</u>	<u>Disburse- ments/ Expenditures</u>	Unencumbered Cash Balance <u>June 30, 2011</u>
\$ -	\$ 17,863	\$ 17,863	\$ -
-	80,297	80,297	-
(2,568)	2,568	-	-
-	550	550	-
-	17,125	17,125	-
-	88,474	88,474	-
-	90,000	90,000	-
-	88,000	88,000	-
-	78,151	78,151	-
-	299	299	-
-	15,985	15,985	-
-	34,113	34,113	-
-	45,689	45,689	-
-	80,001	80,001	-
-	750	750	-
<u>\$ (2,568)</u>	<u>\$ 639,865</u>	<u>\$ 637,297</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Unified School District No. 216, Deerfield, Kansas. The District's reporting entity is defined in Note 1 to the District's statutory basis financial statements. All federal financial assistance received directly from federal agencies 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 a basis of accounting which demonstrates compliance with the cash basis and budget laws of Kansas, which is described in Note 1 to the District's statutory basis financial statements.

Title I, Part C Migrant Education program revenues and disbursements reported in the District's statutory basis financial statements may differ from that found on grant reports due to the grant having a September 30th year end.

3. Relationship to statutory basis financial statements

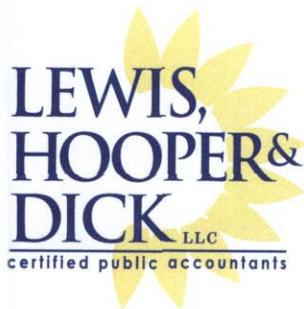
Federal financial assistance expenditures are reported in the District's statutory basis financial statements as follows:

General Fund (Statement 3-A):	
Instruction - salaries	\$ 117,650
Instruction - employee benefits	1,568
Student support services - salaries	3,162
General administration - salaries	3,310
Special Revenue Funds:	
Driver training (Statement 3-G):	
Instruction - purchased professional and technical services	750
Food service (Statement 3-H):	
Food service operation	98,710
Grant activity (Statement 3-P):	
Total expenditures	480,338
Less expenditures from other sources	(68,191)
Total expenditures of federal awards	\$ 637,297

4. 2011 National School Lunch

The unencumbered cash balance in the Food service fund at June 30, 2011, is local money. Federal and state funds included in the Food service fund are expended first.

APPENDIX - SINGLE AUDIT



INDEPENDENT AUDITORS' 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. 216
Deerfield, Kansas 67838

We have audited the primary government statutory basis financial statements of Unified School District No. 216, Deerfield, Kansas, as of and for the year ended June 30, 2011, and have issued our report thereon dated September 28, 2011. The District prepares its financial statements on a 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. 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 control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of the 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 the 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 the District'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 or other matters that are required to be reported under Government Auditing Standards.

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Fax: 620-275-8936 | www.lhd.com

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Kimberly A. Roth, CPA
Kristin J. Sekavec, CPA
Laura G. Voran, CPA
Monica J. Wilson, CPA

Board of Education
Unified School District No. 216
Page 2

We noted certain matters that we reported to the management of Unified School District No. 216, Deerfield, Kansas, in a separate letter dated September 28, 2011.

This report is intended solely for the information and use of the District's management, the Kansas Division of Accounts and Reports, 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.



LEWIS, HOOPER & DICK, LLC

September 28, 2011



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND
MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Unified School District No. 216
Deerfield, Kansas 67838

Compliance

We have audited the primary government of Unified School District No. 216, Deerfield, Kansas, compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditors' 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, Unified School District No. 216, Deerfield, Kansas, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of Unified School District No. 216, Deerfield, Kansas, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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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 would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the District's management, the Kansas Division of Accounts and Reports, 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.


LEWIS, HOOPER & DICK, LLC

September 28, 2011

UNIFIED SCHOOL DISTRICT NO. 216
DEERFIELD, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011

I. SUMMARY OF AUDITORS' RESULTS

A. Financial Statements

- Type of auditors' report issued: Unqualified

- Internal control over financial reporting as reported in the INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS:
 - Material weaknesses identified: None
 - Significant deficiencies identified: None reported

- Noncompliance material to financial statements noted: None

B. Federal Awards

- Internal control over major programs as reported in the INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133:
 - Material weaknesses identified: None
 - Significant deficiencies identified: None reported

- Type of auditors' report issued on compliance for major programs: Unqualified

- Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133: None

- The programs tested as major programs include:

Program	CFDA	Expenditures
Title I, Part A Cluster:		
2011 Title I Grants to Local Educational Agencies	84.010	\$ 88,474
2010 Title I Grants to Local Educational Agencies, Recovery Act	84.389 - ARRA	34,113
2011 State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394 - ARRA	45,689

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

- Auditee qualified as low-risk auditee: Yes

II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

Deerfield Public Schools

September 28, 2011

DISTRICT OFFICE
620-426-8516

Unified School District No. 216, Deerfield, Kansas, respectfully submits the following corrective action plan for the year ended June 30, 2011.

HIGH SCHOOL
620-426-8401

Name and address of independent accounting firm: Lewis, Hooper & Dick, LLC
PO Box 699
Garden City, KS 67846

MIDDLE SCHOOL
620-426-7901

Audit period: July 1, 2010 through June 30, 2011

ELEMENTARY
620-426-8301

The findings from the June 30, 2011, Schedule of Findings and Questioned Costs related to the federal award programs are discussed below. The findings are numbered consistently with the number assigned in the Schedule. Section I of the Schedule, Summary of Auditors' Results, does not include findings and is not addressed.

**FAMILY
LEARNING CTR**
620-426-2516

II. FINANCIAL STATEMENT FINDINGS

None

BUS BARN
620-426-7911

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

IV. STATUS OF CORRECTIVE ACTIONS ON PRIOR FINDINGS

None

If the Department of Education, the oversight agency, has questions regarding this plan, please call Amy DeLaRosa at 620-426-8516.

Sincerely,



Amy DeLaRosa
Superintendent

**MISSION
STATEMENT:**

*The mission of
USD 216 is to
provide a learning
environment that
promotes creative
self-sufficient
citizens.*