

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
GODDARD, KANSAS**

**FINANCIAL STATEMENTS
JUNE 30, 2011**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
TABLE OF CONTENTS
JUNE 30, 2011

| | <u>Page</u> |
|---|-------------|
| Financial Statements | |
| Independent Auditors' Report | 1 – 2 |
| Summary of Cash Receipts, Expenditures, and Unencumbered Cash | 3 |
| Summary of Expenditures - Actual and Budget | 4 |
| Statement of Cash Receipts and Expenditures - Actual and Budget | |
| General Fund | 5 |
| Supplemental General Fund | 6 |
| At Risk Fund (4 Yr Old) | 7 |
| At Risk Fund (K-12) | 8 |
| Bilingual Education Fund | 9 |
| Capital Outlay Fund | 10 |
| Driver Training Fund | 11 |
| Food Service Fund | 12 |
| Professional Development Fund | 13 |
| Parent Education Fund | 14 |
| Special Education Fund | 15 |
| Vocational Education Fund | 16 |
| KPERs Contribution Fund | 17 |
| Bond and Interest Fund | 18 |
| Statement of Cash Receipts and Expenditures - Actual | |
| Federal Funds | 19 |
| Gifts and Grants Fund | 20 |
| Special Reserve Fund | 21 |
| Contingency Reserve Fund | 22 |
| Textbook Rental Fund | 23 |
| Statement of Cash Receipts and Expenditures - Capital Projects | |
| School Buildings | 24 |
| Statement of Cash Receipts and Cash Disbursements | |
| Agency Funds | 25 – 37 |
| Statement of Cash Receipts, Expenditures, and Unencumbered Cash | |
| District Activity Funds | 38 – 40 |
| Notes to Financial Statements | 41 – 53 |
| Federal Award Information | |
| 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</i> <i>Auditing Standards</i> | 54 – 55 |
| 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 | 56 – 57 |
| Schedule of Expenditures of Federal Awards | 58 |
| Notes to Schedule of Expenditures of Federal Awards | 59 |
| Schedule of Findings and Questioned Costs | 60 |
| Schedule of Prior Year Findings and Questioned Costs | 61 |



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Education
Goddard Unified School District No. 265
Goddard, Kansas**

We have audited the accompanying financial statements of **Goddard Unified School District No. 265, Goddard, Kansas**, as of and for the year ended **June 30, 2011**, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year partial comparative financial information has been derived from the District's 2010 financial statements and, in our report dated February 3, 2011, we expressed an unqualified opinion that the financial statements were fairly presented in accordance with the cash basis and budget laws of the State of Kansas.

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.

As described more fully in Note 1, **Goddard Unified School District No. 265, Goddard, Kansas**, has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Goddard Unified School District No. 265, Goddard, Kansas**, as of **June 30, 2011**, or changes in financial position for the year then ended.

**Board of Education
Goddard Unified School District No. 265**

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of **Goddard Unified School District No. 265, Goddard, Kansas**, as of **June 30, 2011**, and its cash receipts and expenditures and budgetary comparisons for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2012, on our consideration of **Goddard Unified School District No. 265, Goddard, 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 performed for the purpose of forming an opinion on the financial statements of **Goddard Unified School District No. 265, Goddard, Kansas**, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.


Busby Ford & Reimer, LLC
January 11, 2012

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Beginning Unencumbered Cash Balance | Prior Year Canceled Encumbrances | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Outstanding Encumbrances and Accounts Payable | Ending Cash Balance |
|--------------------------|---|--|------------------------------------|----------------------|--|---|------------------------|
| | | | | | | | |
| General Fund | \$ (1,873,915) | \$ 0 | \$ 28,890,823 | \$ 28,842,957 | \$ (1,826,049) | \$ 230,928 | \$ (1,595,121) |
| Special Revenue Funds | | | | | | | |
| Supplemental General | (593,348) | 0 | 10,122,906 | 9,399,014 | 130,544 | 32,363 | 162,907 |
| At Risk (4 Year Old) | 52,934 | 0 | 115,000 | 118,842 | 49,092 | 155 | 49,247 |
| At Risk (K-12) | 475,594 | 0 | 2,451,150 | 2,423,808 | 502,936 | 4,740 | 507,676 |
| Bilingual Education | 23,659 | 0 | 125,000 | 123,756 | 24,903 | 0 | 24,903 |
| Capital Outlay | 2,659,392 | 0 | 4,368,996 | 3,477,254 | 3,551,134 | 1,784,825 | 5,335,959 |
| Driver Training | 84,183 | 0 | 87,509 | 69,450 | 102,242 | 0 | 102,242 |
| Food Service | 279,289 | 0 | 2,295,628 | 2,300,095 | 274,822 | 816 | 275,638 |
| Professional Development | 43,566 | 0 | 3,647 | 14,042 | 33,171 | 315 | 33,486 |
| Parent Education | 22,159 | 0 | 58,249 | 57,585 | 22,823 | 629 | 23,452 |
| Special Education | 1,396,428 | 0 | 5,394,818 | 5,373,277 | 1,417,969 | 5,440 | 1,423,409 |
| Vocational Education | 110,249 | 0 | 266,917 | 244,517 | 132,649 | 5,585 | 138,234 |
| KPERS Contribution | 0 | 0 | 2,662,308 | 2,662,308 | 0 | 0 | 0 |
| Federal Funds | (98,936) | 0 | 464,996 | 486,200 | (120,140) | 14,620 | (105,520) |
| Gifts and Grants | 68,236 | 0 | 116,299 | 118,004 | 66,531 | 880 | 67,411 |
| Special Reserve | 316,400 | 0 | 1,945,488 | 2,261,888 | 0 | 0 | 0 |
| Contingency Reserve | 1,952,873 | 0 | 488,000 | 0 | 2,440,873 | 0 | 2,440,873 |
| Textbook Rental | 562,019 | 0 | 297,493 | 435,848 | 423,664 | 226,158 | 649,822 |
| District Activity | 145,107 | 0 | 287,440 | 331,825 | 100,722 | 0 | 100,722 |
| Debt Service Funds | | | | | | | |
| Bond and Interest | 6,417,804 | 0 | 12,392,728 | 12,693,149 | 6,117,383 | 0 | 6,117,383 |
| Capital Projects Funds | | | | | | | |
| School Buildings | 25,298,733 | 0 | 41,003 | 25,178,421 | 161,315 | 2,106,664 | 2,267,979 |
| | <u>\$ 37,342,426</u> | <u>\$ 0</u> | <u>\$ 72,876,398</u> | <u>\$ 96,612,240</u> | <u>\$ 13,606,584</u> | <u>\$ 4,414,118</u> | <u>\$ 18,020,702</u> |
| | | Composition of Cash: | | | | | |
| | | | Checking and Money Market Accounts | | | | \$ 6,752,516 |
| | | | Investments | | | | 11,450,634 |
| | | | Agency Funds | | | | 18,203,150 |
| | | | | | | | <u>(182,448)</u> |
| | | | | | | | <u>\$ 18,020,702</u> |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Certified Budget | Adjustment to | | Adjustment for | | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance - Favorable (Unfavorable) |
|---|------------------|-----------------------|---------------------------|---------------------------|---------------|-----------------------------|---|------------------------------------|
| | | Comply with Legal Max | Qualifying Budget Credits | Qualifying Budget Credits | Comparison | | | |
| General Fund | \$ 29,151,994 | \$ (1,152,050) | \$ 843,013 | \$ 28,842,957 | \$ 28,842,957 | \$ 0 | | |
| Special Revenue Funds | | | | | | | | |
| Supplemental General At Risk (4 Year Old) | 9,510,593 | (111,579) | 0 | 9,399,014 | 9,399,014 | 0 | | |
| At Risk (K-12) | 175,000 | 0 | 0 | 175,000 | 118,842 | 56,158 | | |
| Bilingual Education | 3,025,000 | 0 | 0 | 3,025,000 | 2,423,808 | 601,192 | | |
| Capital Outlay | 161,300 | 0 | 0 | 161,300 | 123,756 | 37,544 | | |
| Driver Training | 4,050,000 | 0 | 0 | 4,050,000 | 3,477,254 | 572,746 | | |
| Food Service | 137,000 | 0 | 0 | 137,000 | 69,450 | 67,550 | | |
| Professional Development | 2,800,000 | 0 | 0 | 2,800,000 | 2,300,095 | 499,905 | | |
| Parent Education | 40,000 | 0 | 0 | 40,000 | 14,042 | 25,958 | | |
| Special Education | 75,000 | 0 | 0 | 75,000 | 57,585 | 17,415 | | |
| Vocational Education | 6,500,000 | 0 | 0 | 6,500,000 | 5,373,277 | 1,126,723 | | |
| KPERS Contribution | 332,000 | 0 | 0 | 332,000 | 244,517 | 87,483 | | |
| Federal Funds | 2,400,000 | 0 | 0 | 2,400,000 | 2,662,308 | (262,308) | | |
| Gifts and Grants | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | 486,200 | XXXXXXXXXX | | |
| Special Reserve | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | 118,004 | XXXXXXXXXX | | |
| Contingency Reserve | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | 2,261,888 | XXXXXXXXXX | | |
| Textbook Rental | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | 0 | XXXXXXXXXX | | |
| District Activity | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | 435,848 | XXXXXXXXXX | | |
| Debt Service Funds | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | 331,825 | XXXXXXXXXX | | |
| Bond and Interest | 12,713,824 | 0 | 0 | 12,713,824 | 12,693,149 | 20,675 | | |
| Capital Projects Funds | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | 25,178,421 | XXXXXXXXXX | | |
| School Buildings | \$ 71,071,711 | \$ (1,263,629) | \$ 843,013 | \$ 70,651,095 | \$ 96,612,240 | \$ 2,851,041 | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>General Fund</u> | <u>Current Year</u> | | | Variance - |
|--|-----------------------|-----------------------|----------------------|---------------------|
| | Prior Year | | | Favorable |
| | Actual | Actual | Budget | (Unfavorable) |
| Cash Receipts | | | | |
| Local Sources | \$ 4,258,017 | \$ 4,793,852 | \$ 3,827,395 | \$ 966,457 |
| County Sources | 445 | 0 | 416 | (416) |
| State Sources | 23,063,606 | 22,666,510 | 24,843,859 | (2,177,349) |
| Federal Sources | 1,288,730 | 1,430,461 | 480,322 | 950,139 |
| | <u>28,610,798</u> | <u>28,890,823</u> | <u>\$ 29,151,992</u> | <u>\$ (261,169)</u> |
| Expenditures | | | | |
| Instruction | 8,201,393 | 9,503,632 | \$ 9,972,800 | \$ 469,168 |
| Student Support Services | 1,402,431 | 1,356,464 | 1,397,732 | 41,268 |
| Instructional Support Staff | 845,226 | 838,109 | 860,556 | 22,447 |
| General Administration | 776,232 | 767,004 | 774,963 | 7,959 |
| School Administration | 2,166,158 | 2,355,370 | 2,126,160 | (229,210) |
| Operations & Maintenance | 3,825,583 | 4,484,481 | 4,085,764 | (398,717) |
| Student Transportation Services | 1,756,472 | 1,644,619 | 1,667,070 | 22,451 |
| Other Supplemental Services | 623,783 | 634,391 | 691,949 | 57,558 |
| Transfers | 8,148,800 | 7,258,887 | 7,575,000 | 316,113 |
| Adjustment to Comply with Legal Max | 0 | 0 | (1,152,050) | (1,152,050) |
| Adjustment for Qualifying Budget Credits | 0 | 0 | 843,013 | 843,013 |
| | <u>27,746,078</u> | <u>28,842,957</u> | <u>\$ 28,842,957</u> | <u>\$ 0</u> |
| Receipts Over (Under) Expenditures | 864,720 | 47,866 | | |
| Unencumbered Cash, Beginning | (2,738,635) | (1,873,915) | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ (1,873,915)</u> | <u>\$ (1,826,049)</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Supplemental General Fund</u> | <u>Current Year</u> | | | Variance - |
|--|---------------------|-------------------|---------------------|-------------------|
| | Prior Year | | | Favorable |
| | Actual | Actual | Budget | (Unfavorable) |
| Cash Receipts | | | | |
| Local Sources | \$ 3,746,356 | \$ 4,185,561 | \$ 3,816,603 | \$ 368,958 |
| County Sources | 540,269 | 561,252 | 567,324 | (6,072) |
| State Sources | 3,553,957 | 5,376,093 | 4,792,236 | 583,857 |
| Federal Sources | 1,201,641 | 0 | 0 | 0 |
| | <u>9,042,223</u> | <u>10,122,906</u> | <u>\$ 9,176,163</u> | <u>\$ 946,743</u> |
| Expenditures | | | | |
| Instruction | 6,772,823 | 6,060,513 | \$ 6,591,087 | \$ 530,574 |
| Student Support Services | 49,543 | 88,186 | 50,000 | (38,186) |
| Instructional Support Staff | 227,003 | 283,614 | 235,925 | (47,689) |
| General Administration | 23,577 | 25,940 | 28,000 | 2,060 |
| School Administration | 50,548 | 96,512 | 55,000 | (41,512) |
| Operations & Maintenance | 194,907 | 234,008 | 208,000 | (26,008) |
| Student Transportation Services | 0 | 22,963 | 0 | (22,963) |
| Other Supplemental Services | 801,320 | 785,370 | 832,581 | 47,211 |
| Transfers | 898,011 | 1,801,908 | 1,510,000 | (291,908) |
| Adjustment to Comply with Legal Max | 0 | 0 | (111,579) | (111,579) |
| | <u>9,017,732</u> | <u>9,399,014</u> | <u>\$ 9,399,014</u> | <u>\$ 0</u> |
| Receipts Over (Under) Expenditures | 24,491 | 723,892 | | |
| Unencumbered Cash, Beginning | (617,839) | (593,348) | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ (593,348)</u> | <u>\$ 130,544</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>At Risk Fund (4 Year Old)</u> | Current Year | | | Variance - Favorable (Unfavorable) |
|------------------------------------|--------------|------------|------------|--|
| | Prior Year | | | |
| | Actual | Actual | Budget | |
| Cash Receipts | | | | |
| Transfers | \$ 115,000 | \$ 115,000 | \$ 150,000 | \$ (35,000) |
| | 115,000 | 115,000 | \$ 150,000 | \$ (35,000) |
| Expenditures | | | | |
| Instruction | 113,139 | 118,842 | \$ 169,600 | \$ 50,758 |
| Instruction Support Staff | 0 | 0 | 5,400 | 5,400 |
| | 113,139 | 118,842 | \$ 175,000 | \$ 56,158 |
| Receipts Over (Under) Expenditures | 1,861 | (3,842) | | |
| Unencumbered Cash, Beginning | 51,073 | 52,934 | | |
| Prior Year Canceled Encumbrances | 0 | 0 | | |
| Unencumbered Cash, Ending | \$ 52,934 | \$ 49,092 | | |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)**

| <u>At Risk Fund (K-12)</u> | <u>Current Year</u> | | | Variance - |
|------------------------------------|---------------------|-------------------|---------------------|---------------------|
| | Prior Year | | | Favorable |
| | Actual | Actual | Budget | (Unfavorable) |
| Cash Receipts | | | | |
| Local Sources | \$ 5,080 | \$ 6,150 | \$ 0 | \$ 6,150 |
| Transfers | <u>2,655,000</u> | <u>2,445,000</u> | <u>3,000,000</u> | <u>(555,000)</u> |
| | <u>2,660,080</u> | <u>2,451,150</u> | <u>\$ 3,000,000</u> | <u>\$ (548,850)</u> |
| Expenditures | | | | |
| Instruction | 2,279,556 | 2,157,454 | \$ 2,718,500 | \$ 561,046 |
| Student Support Services | 51,614 | 64,746 | 60,800 | (3,946) |
| Instructional Support Staff | 22,451 | 19,313 | 25,200 | 5,887 |
| School Administration | 126,718 | 132,886 | 135,700 | 2,814 |
| Operations & Maintenance | 64,133 | 49,120 | 84,800 | 35,680 |
| Other Supplemental Services | 127 | 289 | 0 | (289) |
| | <u>2,544,599</u> | <u>2,423,808</u> | <u>\$ 3,025,000</u> | <u>\$ 601,192</u> |
| Receipts Over (Under) Expenditures | 115,481 | 27,342 | | |
| Unencumbered Cash, Beginning | 360,113 | 475,594 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 475,594</u> | <u>\$ 502,936</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Bilingual Education Fund</u> | Current Year | | | Variance - Favorable (Unfavorable) |
|------------------------------------|------------------|------------------|-------------------|--|
| | Prior Year | | | |
| | Actual | Actual | Budget | |
| Cash Receipts | | | | |
| Transfers | \$ 130,000 | \$ 125,000 | \$ 140,000 | \$ (15,000) |
| | <u>130,000</u> | <u>125,000</u> | <u>\$ 140,000</u> | <u>\$ (15,000)</u> |
| Expenditures | | | | |
| Instruction | 130,555 | 123,756 | \$ 143,300 | \$ 19,544 |
| Other Supplemental Services | 0 | 0 | 18,000 | 18,000 |
| | <u>130,555</u> | <u>123,756</u> | <u>\$ 161,300</u> | <u>\$ 37,544</u> |
| Receipts Over (Under) Expenditures | (555) | 1,244 | | |
| Unencumbered Cash, Beginning | 24,214 | 23,659 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 23,659</u> | <u>\$ 24,903</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Capital Outlay Fund</u> | <u>Current Year</u> | | | Variance - Favorable (Unfavorable) |
|---|-----------------------------|---------------------|---------------------|--|
| | Prior Year <u>Actual</u> | <u>Actual</u> | <u>Budget</u> | |
| Cash Receipts | | | | |
| Local Sources | \$ 1,407,612 | \$ 4,166,685 | \$ 1,393,351 | \$ 2,773,334 |
| County Sources | <u>232,074</u> | <u>202,311</u> | <u>204,814</u> | <u>(2,503)</u> |
| | <u>1,639,686</u> | <u>4,368,996</u> | <u>\$ 1,598,165</u> | <u>\$ 2,770,831</u> |
| Expenditures | | | | |
| Instruction | 141,303 | 1,336,338 | \$ 250,000 | \$ (1,086,338) |
| Student Support Services | 2,806 | 425 | 5,000 | 4,575 |
| Instructional Support Staff | 3,804 | 134,977 | 5,000 | (129,977) |
| General Administration | 20,951 | 11,270 | 50,000 | 38,730 |
| School Administration | 0 | 0 | 10,000 | 10,000 |
| Operations & Maintenance | 100,548 | 83,656 | 150,000 | 66,344 |
| Transportation | 14,871 | 505,984 | 489,404 | (16,580) |
| Facility Acquisition & Construction Services | 832,676 | 314,007 | 2,000,000 | 1,685,993 |
| Debt Service | <u>1,096,119</u> | <u>1,090,597</u> | <u>1,090,596</u> | <u>(1)</u> |
| | <u>2,213,078</u> | <u>3,477,254</u> | <u>\$ 4,050,000</u> | <u>\$ 572,746</u> |
| Receipts Over (Under) Expenditures | (573,392) | 891,742 | | |
| Unencumbered Cash, Beginning | 3,232,784 | 2,659,392 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 2,659,392</u> | <u>\$ 3,551,134</u> | | |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)**

| <u>Driver Training Fund</u> | Current Year | | | Variance - Favorable (Unfavorable) |
|---|--------------|------------|------------|--|
| | Prior Year | | | |
| | Actual | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 70,382 | \$ 66,715 | \$ 70,382 | \$ (3,667) |
| State Sources | 12,850 | 20,794 | 12,850 | 7,944 |
| | 83,232 | 87,509 | \$ 83,232 | \$ 4,277 |
| Expenditures | | | | |
| Instruction | 61,577 | 49,737 | \$ 86,100 | \$ 36,363 |
| Vehicle Operations, Maintenance Services | 19,655 | 19,713 | 50,900 | 31,187 |
| | 81,232 | 69,450 | \$ 137,000 | \$ 67,550 |
| Receipts Over (Under) Expenditures | 2,000 | 18,059 | | |
| Unencumbered Cash, Beginning | 82,183 | 84,183 | | |
| Prior Year Canceled Encumbrances | 0 | 0 | | |
| Unencumbered Cash, Ending | \$ 84,183 | \$ 102,242 | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Food Service Fund</u> | <u>Current Year</u> | | | Variance - |
|------------------------------------|---------------------|-------------------|---------------------|---------------------|
| | Prior Year | | | Favorable |
| | Actual | Actual | Budget | (Unfavorable) |
| Cash Receipts | | | | |
| Local Sources | \$ 1,582,705 | \$ 1,527,494 | \$ 1,966,800 | \$ (439,306) |
| State Sources | 22,613 | 21,881 | 19,950 | 1,931 |
| Federal Sources | 634,113 | 696,253 | 574,720 | 121,533 |
| Transfers | 100,000 | 50,000 | 100,000 | (50,000) |
| | <u>2,339,431</u> | <u>2,295,628</u> | <u>\$ 2,661,470</u> | <u>\$ (365,842)</u> |
| Expenditures | | | | |
| Operations & Maintenance | 11,791 | 10,285 | \$ 60,000 | \$ 49,715 |
| Food Service Operation | 2,338,684 | 2,289,810 | 2,740,000 | 450,190 |
| | <u>2,350,475</u> | <u>2,300,095</u> | <u>\$ 2,800,000</u> | <u>\$ 499,905</u> |
| Receipts Over (Under) Expenditures | (11,044) | (4,467) | | |
| Unencumbered Cash, Beginning | 290,333 | 279,289 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 279,289</u> | <u>\$ 274,822</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Professional Development Fund</u> | Current Year | | | Variance - Favorable (Unfavorable) |
|--------------------------------------|--------------|-----------|-----------|--|
| | Prior Year | | | |
| | Actual | Actual | Budget | |
| Cash Receipts | | | | |
| Local Sources | \$ 0 | \$ 0 | \$ 10,000 | \$ (10,000) |
| Transfers | 20,000 | 3,647 | 30,000 | (26,353) |
| | 20,000 | 3,647 | \$ 40,000 | \$ (36,353) |
| Expenditures | | | | |
| Instructional Support Staff | 17,668 | 14,042 | \$ 32,000 | \$ 17,958 |
| Other Supplemental Services | 0 | 0 | 8,000 | 8,000 |
| | 17,668 | 14,042 | \$ 40,000 | \$ 25,958 |
| Receipts Over (Under) Expenditures | 2,332 | (10,395) | | |
| Unencumbered Cash, Beginning | 41,234 | 43,566 | | |
| Prior Year Canceled Encumbrances | 0 | 0 | | |
| Unencumbered Cash, Ending | \$ 43,566 | \$ 33,171 | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Parent Education Fund</u> | Current Year | | | Variance - Favorable (Unfavorable) |
|------------------------------------|------------------|------------------|------------------|--|
| | Prior Year | | | |
| | Actual | Actual | Budget | |
| Cash Receipts | | | | |
| State Sources | \$ 41,830 | \$ 18,249 | \$ 35,000 | \$ (16,751) |
| Transfers | <u>21,000</u> | <u>40,000</u> | <u>30,000</u> | <u>10,000</u> |
| | <u>62,830</u> | <u>58,249</u> | <u>\$ 65,000</u> | <u>\$ (6,751)</u> |
| Expenditures | | | | |
| Student Support Services | 57,227 | 57,085 | \$ 75,000 | \$ 17,915 |
| Instructional Support Services | <u>104</u> | <u>500</u> | <u>0</u> | <u>(500)</u> |
| | <u>57,331</u> | <u>57,585</u> | <u>\$ 75,000</u> | <u>\$ 17,415</u> |
| Receipts Over (Under) Expenditures | 5,499 | 664 | | |
| Unencumbered Cash, Beginning | 16,660 | 22,159 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 22,159</u> | <u>\$ 22,823</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Special Education Fund</u> | <u>Current Year</u> | | | Variance - |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Prior Year | | | Favorable |
| | <u>Actual</u> | <u>Actual</u> | <u>Budget</u> | (Unfavorable) |
| Cash Receipts | | | | |
| Local Sources | \$ 0 | \$ 15,670 | \$ 0 | \$ 15,670 |
| Transfers | <u>5,395,811</u> | <u>5,379,148</u> | <u>5,400,000</u> | <u>(20,852)</u> |
| | <u>5,395,811</u> | <u>5,394,818</u> | <u>\$ 5,400,000</u> | <u>\$ (5,182)</u> |
| Expenditures | | | | |
| Instruction | 4,832,040 | 5,093,890 | \$ 6,125,000 | \$ 1,031,110 |
| Student Transportation Services | <u>221,633</u> | <u>279,387</u> | <u>375,000</u> | <u>95,613</u> |
| | <u>5,053,673</u> | <u>5,373,277</u> | <u>\$ 6,500,000</u> | <u>\$ 1,126,723</u> |
| Receipts Over (Under) Expenditures | 342,138 | 21,541 | | |
| Unencumbered Cash, Beginning | 1,054,290 | 1,396,428 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 1,396,428</u> | <u>\$ 1,417,969</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Vocational Education Fund</u> | Current Year | | | Variance - Favorable (Unfavorable) |
|------------------------------------|-------------------|-------------------|-------------------|--|
| | Prior Year | | | |
| | Actual | Actual | Budget | |
| Cash Receipts | | | | |
| Federal Sources | \$ 6,809 | \$ 16,917 | \$ 15,000 | \$ 1,917 |
| Transfers | <u>210,000</u> | <u>250,000</u> | <u>235,000</u> | <u>15,000</u> |
| | <u>216,809</u> | <u>266,917</u> | <u>\$ 250,000</u> | <u>\$ 16,917</u> |
| Expenditures | | | | |
| Instruction | 219,265 | 244,517 | \$ 307,000 | \$ 62,483 |
| Other Supplemental Services | <u>0</u> | <u>0</u> | <u>25,000</u> | <u>25,000</u> |
| | <u>219,265</u> | <u>244,517</u> | <u>\$ 332,000</u> | <u>\$ 87,483</u> |
| Receipts Over (Under) Expenditures | (2,456) | 22,400 | | |
| Unencumbered Cash, Beginning | 112,705 | 110,249 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 110,249</u> | <u>\$ 132,649</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>KPERS Contribution Fund</u> | Current Year | | | Variance - Favorable (Unfavorable) |
|------------------------------------|----------------|------------------|---------------------|--|
| | Prior Year | Actual | Budget | |
| | Actual | | | |
| Cash Receipts | | | | |
| State Sources | \$ 947,160 | \$ 2,662,308 | \$ 2,400,000 | \$ 262,308 |
| | <u>947,160</u> | <u>2,662,308</u> | <u>\$ 2,400,000</u> | <u>\$ 262,308</u> |
| Expenditures | | | | |
| Instruction | 567,537 | 1,595,256 | \$ 1,400,000 | \$ (195,256) |
| Student Support Services | 45,085 | 126,726 | 125,000 | (1,726) |
| Instructional Support Staff | 33,719 | 94,778 | 85,000 | (9,778) |
| General Administration | 14,587 | 40,999 | 40,000 | (999) |
| School Administration | 76,151 | 214,050 | 175,000 | (39,050) |
| Other Supplemental Services | 39,402 | 110,751 | 100,000 | (10,751) |
| Operations & Maintenance | 91,307 | 256,646 | 225,000 | (31,646) |
| Student Transportation Services | 46,600 | 130,986 | 125,000 | (5,986) |
| Food Service Operation | 32,772 | 92,116 | 125,000 | 32,884 |
| | <u>947,160</u> | <u>2,662,308</u> | <u>\$ 2,400,000</u> | <u>\$ (262,308)</u> |
| Receipts Over (Under) Expenditures | 0 | 0 | | |
| Unencumbered Cash, Beginning | 0 | 0 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 0</u> | <u>\$ 0</u> | | |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
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)

| <u>Bond and Interest Fund</u> | <u>Current Year</u> | | | Variance - |
|--|---------------------|---------------------|----------------------|-------------------|
| | Prior Year | | | Favorable |
| | Actual | Actual | Budget | (Unfavorable) |
| Cash Receipts | | | | |
| Local Sources | \$ 4,775,151 | \$ 5,831,323 | \$ 5,491,322 | \$ 340,001 |
| County Sources | 705,692 | 766,868 | 775,573 | (8,705) |
| State Sources | 3,278,509 | 4,240,853 | 4,240,853 | 0 |
| Federal Tax Credit | 0 | 1,553,684 | 1,553,684 | 0 |
| | <u>8,759,352</u> | <u>12,392,728</u> | <u>\$ 12,061,432</u> | <u>\$ 331,296</u> |
| Expenditures | | | | |
| Debt Service | <u>8,187,502</u> | <u>12,693,149</u> | <u>\$ 12,713,824</u> | <u>\$ 20,675</u> |
| | <u>8,187,502</u> | <u>12,693,149</u> | <u>\$ 12,713,824</u> | <u>\$ 20,675</u> |
| Receipts Over (Under) Expenditures | 571,850 | (300,421) | | |
| Unencumbered Cash, Beginning | 5,845,954 | 6,417,804 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> | | |
| Unencumbered Cash, Ending | <u>\$ 6,417,804</u> | <u>\$ 6,117,383</u> | | |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

Federal Funds

| | <u>Prior Year Actual</u> | <u>Current Year Actual</u> |
|------------------------------------|------------------------------|--------------------------------|
| Cash Receipts | | |
| Federal Sources | <u>\$ 415,841</u> | <u>\$ 464,996</u> |
| | <u>415,841</u> | <u>464,996</u> |
| | | |
| Expenditures | | |
| Instruction | <u>566,454</u> | <u>486,200</u> |
| | <u>566,454</u> | <u>486,200</u> |
| | | |
| Receipts Over (Under) Expenditures | (150,613) | (21,204) |
| | | |
| Unencumbered Cash, Beginning | 51,677 | (98,936) |
| | | |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> |
| | | |
| Unencumbered Cash, Ending | <u>\$ (98,936)</u> | <u>\$ (120,140)</u> |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

Gifts and Grants Fund

| | Prior Year <u>Actual</u> | Current Year <u>Actual</u> |
|--|-----------------------------|-------------------------------|
| Cash Receipts | | |
| Local Sources | \$ 118,181 | \$ 70,134 |
| State Sources | 12,180 | 33,165 |
| Federal Sources | <u>14,915</u> | <u>13,000</u> |
| | <u>145,276</u> | <u>116,299</u> |
| Expenditures | | |
| Instruction | 80,330 | 54,285 |
| Student Support Services | 2,228 | 3,213 |
| Instructional Support Staff | 0 | 36 |
| Operations & Maintenance | 16,330 | 20,740 |
| Student Transportation Services | 0 | 21,456 |
| Other Supplemental Services | 11,088 | 3,862 |
| Food Service Operations | <u>19,515</u> | <u>14,412</u> |
| | <u>129,491</u> | <u>118,004</u> |
| Receipts Over (Under) Expenditures | 15,785 | (1,705) |
| Unencumbered Cash, Beginning | 52,451 | 68,236 |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> |
| Unencumbered Cash, Ending | <u>\$ 68,236</u> | <u>\$ 66,531</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

Special Reserve Fund

| | Prior Year Actual | Current Year Actual |
|------------------------------------|----------------------|------------------------|
| Cash Receipts | | |
| Local Sources | \$ 1,440,593 | \$ 1,945,488 |
| Transfers | <u>200,000</u> | <u>0</u> |
| | <u>1,640,593</u> | <u>1,945,488</u> |
| Expenditures | | |
| Other Supplemental Services | <u>1,324,193</u> | <u>2,261,888</u> |
| | <u>1,324,193</u> | <u>2,261,888</u> |
| Receipts Over (Under) Expenditures | 316,400 | (316,400) |
| Unencumbered Cash, Beginning | 0 | 316,400 |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> |
| Unencumbered Cash, Ending | <u>\$ 316,400</u> | <u>\$ 0</u> |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

Contingency Reserve Fund

| | Prior Year <u>Actual</u> | Current Year <u>Actual</u> |
|------------------------------------|-----------------------------|-------------------------------|
| Cash Receipts | | |
| Transfers | \$ 200,000 | \$ 488,000 |
| | <u>200,000</u> | <u>488,000</u> |
| Expenditures | <u>0</u> | <u>0</u> |
| Receipts Over (Under) Expenditures | 200,000 | 488,000 |
| Unencumbered Cash, Beginning | 1,752,873 | 1,952,873 |
| Prior Year Canceled Encumbrances | <u>0</u> | <u>0</u> |
| Unencumbered Cash, Ending | <u>\$ 1,952,873</u> | <u>\$ 2,440,873</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

Textbook Rental Fund

| | Prior Year Actual | Current Year Actual |
|--|----------------------|------------------------|
| Cash Receipts | | |
| Local Sources | \$ 137,054 | \$ 132,493 |
| Transfers | 0 | 165,000 |
| | 137,054 | 297,493 |
| Expenditures | | |
| Instruction | 101,106 | 435,848 |
| | 101,106 | 435,848 |
| Receipts Over (Under) Expenditures | 35,948 | (138,355) |
| Unencumbered Cash, Beginning | 526,071 | 562,019 |
| Prior Year Canceled Encumbrances | 0 | 0 |
| Unencumbered Cash, Ending | \$ 562,019 | \$ 423,664 |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

School Buildings

| | Prior Year Actual | Current Year Actual |
|------------------------------------|----------------------|------------------------|
| Cash Receipts | | |
| Bond Proceeds | \$ 50,127,607 | \$ 0 |
| Interest | 18,624 | 41,003 |
| | 50,146,231 | 41,003 |
| Expenditures | | |
| Instruction | 3,245,339 | 733,653 |
| Student Support Services | 28,276 | 5,585 |
| Instructional Support Staff | 375,895 | 199,798 |
| General Administration | 99,480 | 0 |
| School Administration | 57,792 | 6,049 |
| Operations & Maintenance | 1,521,126 | 898,311 |
| Other Supplemental Services | 141,082 | 48,076 |
| Building Additions | 38,692,172 | 23,286,949 |
| | 44,161,162 | 25,178,421 |
| Receipts Over (Under) Expenditures | 5,985,069 | (25,137,418) |
| Unencumbered Cash, Beginning | 19,313,664 | 25,298,733 |
| Prior Year Canceled Encumbrances | 0 | 0 |
| Unencumbered Cash, Ending | \$ 25,298,733 | \$ 161,315 |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
AGENCY FUNDS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|-------------------------|---------------------------|---------------|-----------------------|------------------------|
| High School | | | | |
| Student Council | \$ 4,183 | \$ 13,962 | \$ 16,197 | \$ 1,948 |
| Anime Club | 107 | 0 | 107 | 0 |
| Art Activity | 1,743 | 7,198 | 8,340 | 601 |
| Band Activity | 3,108 | 27,997 | 29,795 | 1,310 |
| Band-Festival Fees | 8,589 | 7,488 | 11,732 | 4,345 |
| Band-Trip Account | 2,694 | 57,948 | 58,943 | 1,699 |
| Book Club | 4 | 145 | 149 | 0 |
| Candy Machines | 15,707 | 15,545 | 24,842 | 6,410 |
| Cheerleaders-Freshmen | 2,279 | 23,406 | 25,685 | 0 |
| Cheerleaders-Jr Varsity | 2,588 | 7,007 | 3,908 | 5,687 |
| Cheerleaders-Varsity | 8,838 | 17,227 | 15,924 | 10,141 |
| Disc Club | 140 | 0 | 140 | 0 |
| Drama Club | 3,628 | 4,150 | 7,223 | 555 |
| Dramatics | 6,082 | 5,440 | 10,125 | 1,397 |
| Drill Team | 8,483 | 20,716 | 20,815 | 8,384 |
| GHS Crimestoppers | 431 | 0 | 216 | 215 |
| French Club | 9 | 0 | 9 | 0 |
| Freshman Connection | 7 | 102 | 109 | 0 |
| Friendship Club | 1,462 | 1,134 | 2,596 | 0 |
| German Club | 626 | 0 | 313 | 313 |
| GHS News | 449 | 8,325 | 8,155 | 619 |
| Hack Club | 20 | 0 | 20 | 0 |
| History Club | 268 | 0 | 268 | 0 |
| FACS-FCCLA | 1,179 | 0 | 707 | 472 |
| FACS-Culinary Arts | 994 | 1,444 | 2,004 | 434 |
| FBLA | 1,453 | 6,060 | 6,684 | 829 |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
AGENCY FUNDS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|----------------------------------|---------------------------|----------------|-----------------------|------------------------|
| High School (Continued) | | | | |
| KAYS | 1,235 | 2,584 | 3,684 | 135 |
| Simpsons Class | 2,097 | 0 | 2,097 | 0 |
| Military Club | 240 | 0 | 240 | 0 |
| Multicultural Club | 215 | 0 | 215 | 0 |
| Musical | 2,592 | 7,209 | 8,553 | 1,248 |
| National Forensics League | 168 | 10,821 | 10,879 | 110 |
| National Honor Society | 1,208 | 1,103 | 2,180 | 131 |
| Newspaper | 1,328 | 6,148 | 6,458 | 1,018 |
| Outloud | 2,173 | 775 | 2,460 | 488 |
| GHS Ambassadors | 136 | 750 | 803 | 83 |
| Photography Club | 113 | 0 | 113 | 0 |
| Powerlifting Club | 485 | 1,638 | 2,075 | 48 |
| Prom | 10,627 | 12,160 | 16,717 | 6,070 |
| Quill & Scroll | 12 | 0 | 0 | 12 |
| Campus Life | 3 | 0 | 3 | 0 |
| Science Club | 1,294 | 4,113 | 4,812 | 595 |
| Science Club-Earth Day | 7 | 140 | 147 | 0 |
| Science Club-BEST | | | | |
| Robotics | 634 | 1,686 | 1,679 | 641 |
| Science Club-OWLS | 1,356 | 0 | 0 | 1,356 |
| Science Club-World Explorers | 68 | 0 | 68 | 0 |
| Science Club-Science Olympiad | 72 | 1,380 | 1,231 | 221 |
| Science Recycle | 976 | 408 | 772 | 612 |
| Sophomore Class | 32 | 0 | 32 | 0 |
| Spanish Club | 477 | 768 | 1,044 | 201 |
| Spirit Club | 562 | 3,570 | 3,071 | 1,061 |
| Teens as Teachers | 132 | 0 | 132 | 0 |
| Vocal Music | 5,610 | 48,652 | 52,402 | 1,860 |
| Yearbook | 6,557 | 56,684 | 59,848 | 3,393 |
| | <u>115,480</u> | <u>385,883</u> | <u>436,721</u> | <u>64,642</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|--------------------------|---------------------------|---------------|-----------------------|------------------------|
| Eisenhower Middle School | | | | |
| Student Council | \$ 7,387 | \$ 2,455 | \$ 2,873 | \$ 6,969 |
| Band Activity | 1,229 | 15,968 | 15,875 | 1,322 |
| Vending Machines | 5,371 | 458 | 2,173 | 3,656 |
| Cheerleaders | 751 | 8,740 | 3,788 | 5,703 |
| Drama | 373 | 422 | 154 | 641 |
| Orchestra Activity | 790 | 1,575 | 1,293 | 1,072 |
| Student Services | 1,794 | 255 | 672 | 1,377 |
| Vocal Music | 1,221 | 3,392 | 2,600 | 2,013 |
| Yearbook | 528 | 13,028 | 12,953 | 603 |
| Sales Tax | 420 | 3,054 | 3,302 | 172 |
| | <u>19,864</u> | <u>49,347</u> | <u>45,683</u> | <u>23,528</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|-------------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Robert Goddard Middle School | | | | |
| Student Council | \$ 4,627 | \$ 5,030 | \$ 7,402 | \$ 2,255 |
| Band Activity | 5,540 | 16,853 | 17,891 | 4,502 |
| Orchestra | 286 | 117 | 403 | 0 |
| Vending Machines | 2,601 | 5,346 | 5,627 | 2,320 |
| Cheerleaders | 1,708 | 5,544 | 539 | 6,713 |
| Drama | 1,092 | 0 | 1,092 | 0 |
| Student Services | 3,541 | 10,835 | 10,207 | 4,169 |
| Vocal Music | 3,614 | 2,562 | 3,099 | 3,077 |
| Yearbook | 6,008 | 8,816 | 11,709 | 3,115 |
| Sales Tax | 444 | 3,965 | 3,782 | 627 |
| | <u>29,461</u> | <u>59,068</u> | <u>61,751</u> | <u>26,778</u> |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
AGENCY FUNDS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|---------------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Challenger Intermediate School | | | | |
| P.E. | \$ 575 | \$ 844 | \$ 1,102 | \$ 317 |
| Student Services | 1,773 | 9,104 | 9,408 | 1,469 |
| Yearbook | 554 | 3,621 | 4,175 | 0 |
| Sales Tax | 83 | 132 | 172 | 43 |
| | <u>2,985</u> | <u>13,701</u> | <u>14,857</u> | <u>1,829</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|--------------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Discovery Intermediate School | | | | |
| Student Council | \$ 151 | \$ 0 | \$ 0 | \$ 151 |
| Student Services | 3,137 | 9,809 | 9,122 | 3,824 |
| Yearbook | 172 | 4,504 | 3,927 | 749 |
| Sales Tax | 0 | 203 | 110 | 93 |
| Interest Income | 6 | 3 | 6 | 3 |
| | <u>3,466</u> | <u>14,519</u> | <u>13,165</u> | <u>4,820</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|----------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Earhart Elementary School | | | | |
| Pop Machine | \$ 537 | \$ 106 | \$ 241 | \$ 402 |
| Student Services | 1,567 | 5,867 | 7,202 | 232 |
| Yearbook | 1,168 | 3,805 | 3,588 | 1,385 |
| Read and Feed Night | 470 | 0 | 0 | 470 |
| Miscellaneous P.E. | 2,321 | 2,170 | 1,837 | 2,654 |
| | <u>6,063</u> | <u>11,948</u> | <u>12,868</u> | <u>5,143</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|----------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Clark Davidson Elementary School | | | | |
| Pop Machine | \$ 160 | \$ 350 | \$ 357 | \$ 153 |
| Student Services | 10,239 | 2,440 | 4,104 | 8,575 |
| Memory Books | 0 | 3,060 | 3,060 | 0 |
| Miscellaneous | 188 | 0 | 158 | 30 |
| | <u>10,587</u> | <u>5,850</u> | <u>7,679</u> | <u>8,758</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Oak Street Elementary School | | | | |
| Pop Machine | \$ 33 | \$ 32 | \$ 40 | \$ 25 |
| Student Services | <u>5,000</u> | <u>2,066</u> | <u>4,152</u> | <u>2,914</u> |
| | <u>5,033</u> | <u>2,098</u> | <u>4,192</u> | <u>2,939</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|--------------------------------|---------------------------|---------------|-----------------------|------------------------|
| Goddard Academy Pop Machine | \$ 119 | \$ 1,282 | \$ 554 | \$ 847 |
| | <u>119</u> | <u>1,282</u> | <u>554</u> | <u>847</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|----------------------------|---------------------------|---------------|-----------------------|------------------------|
| Explorer Elementary School | | | | |
| Student Services | \$ 2,127 | \$ 5,295 | \$ 1,524 | \$ 5,898 |
| Miscellaneous | 147 | 3,304 | 3,298 | 153 |
| | <u>2,274</u> | <u>8,599</u> | <u>4,822</u> | <u>6,051</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|--------------------------|---------------------------|---------------|-----------------------|------------------------|
| Apollo Elementary School | | | | |
| Student Services | \$ 0 | \$ 11,800 | \$ 11,515 | \$ 285 |
| | <u>0</u> | <u>11,800</u> | <u>11,515</u> | <u>285</u> |

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

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
 AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2011**

| Fund | Beginning Cash Balance | Cash Receipts | Cash Disbursements | Ending Cash Balance |
|--------------------|---------------------------|-------------------|-----------------------|------------------------|
| Payroll Clearing | \$ 34,669 | \$ 269,984 | \$ 267,825 | \$ 36,828 |
| Total Agency Funds | <u>\$ 230,001</u> | <u>\$ 834,079</u> | <u>\$ 881,632</u> | <u>\$ 182,448</u> |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
DISTRICT ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Beginning | Prior Year | | Cash Receipts | Expenditures | Ending | Add | |
|-----------------------------|---------------|--------------|--------------|----------------|----------------|---------------|--------------|---------------|
| | Unencumbered | Encumbrances | Canceled | | | Unencumbered | Encumbrances | and Accounts |
| | Cash Balance | Encumbrances | Encumbrances | | | Cash Balance | Payable | Balance |
| High School | | | | | | | | |
| Athletics-Activities | \$ 36,959 | \$ 0 | \$ 0 | 121,932 | \$ 129,008 | \$ 29,883 | \$ 0 | \$ 29,883 |
| Activities-Music | 0 | 0 | 0 | 2,122 | 2,122 | 0 | 0 | 0 |
| Activities-Debate/Forensics | 0 | 0 | 0 | 4,507 | 4,507 | 0 | 0 | 0 |
| Athletics-Golf Tournament | 0 | 0 | 0 | 9,112 | 9,112 | 0 | 0 | 0 |
| Athletics-Gate Change | 2,500 | 0 | 0 | 2,500 | 2,500 | 2,500 | 0 | 2,500 |
| Baseball-Fundraising | 3,451 | 0 | 0 | 7,857 | 9,045 | 2,263 | 0 | 2,263 |
| Basketball-Boys | 1,496 | 0 | 0 | 2,082 | 3,464 | 114 | 0 | 114 |
| Basketball-Girls | 1,351 | 0 | 0 | 424 | 1,347 | 428 | 0 | 428 |
| Bowling | 270 | 0 | 0 | 210 | 288 | 192 | 0 | 192 |
| Cross Country | 3,174 | 0 | 0 | 2,002 | 3,801 | 1,375 | 0 | 1,375 |
| Football | 14,426 | 0 | 0 | 31,086 | 42,495 | 3,017 | 0 | 3,017 |
| Golf-Boys | 145 | 0 | 0 | 1,047 | 1,033 | 159 | 0 | 159 |
| Golf-Girls | 246 | 0 | 0 | 530 | 631 | 145 | 0 | 145 |
| Soccer-Boys | 163 | 0 | 0 | 2,362 | 2,453 | 72 | 0 | 72 |
| Soccer-Girls | 376 | 0 | 0 | 2,528 | 2,682 | 222 | 0 | 222 |
| Softball | 1,798 | 0 | 0 | 6,847 | 8,510 | 135 | 0 | 135 |
| Tennis | 1,399 | 0 | 0 | 2,827 | 3,441 | 785 | 0 | 785 |
| Track | 2,440 | 0 | 0 | 3,730 | 4,644 | 1,526 | 0 | 1,526 |
| Volleyball | 2,586 | 0 | 0 | 3,746 | 5,230 | 1,102 | 0 | 1,102 |
| Wrestling | 7,102 | 0 | 0 | 6,740 | 10,537 | 3,305 | 0 | 3,305 |
| | <u>79,882</u> | <u>0</u> | <u>0</u> | <u>214,191</u> | <u>246,850</u> | <u>47,223</u> | <u>0</u> | <u>47,223</u> |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
DISTRICT ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Beginning Unencumbered Cash Balance | Prior Year Canceled Encumbrances | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add | |
|---------------------------------------|---|--|---------------|--------------|--|--|------------------------|
| | | | | | | Outstanding Encumbrances and Accounts Payable | Ending Cash Balance |
| Eisenhower Middle School Athletics | \$ 33,654 | \$ 0 | \$ 24,006 | \$ 31,767 | \$ 25,893 | \$ 0 | \$ 25,893 |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
DISTRICT ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
FOR THE YEAR ENDED JUNE 30, 2011

| Fund | Beginning Unencumbered Cash Balance | Prior Year Canceled Encumbrances | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Outstanding Encumbrances and Accounts Payable | Ending Cash Balance |
|---|---|--|-------------------|-------------------|--|---|------------------------|
| | | | | | | | |
| Robert Goddard Middle School Athletics | \$ 31,571 | 0 | \$ 49,243 | \$ 53,208 | \$ 27,606 | 0 | \$ 27,606 |
| Total District Activity Funds | <u>\$ 145,107</u> | <u>0</u> | <u>\$ 287,440</u> | <u>\$ 331,825</u> | <u>\$ 100,722</u> | <u>0</u> | <u>\$ 100,722</u> |

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

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 1 - Summary of Significant Accounting Policies:

Reporting Entity

Goddard Unified School District No. 265 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Goddard, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statements include all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

Basis of Presentation – Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The District has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations or other restrictions.

The following types of funds comprise the financial activities of the District for the year:

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 receipts (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Capital Projects Fund-To account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

Debt Service Fund-To account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Agency Funds-To account for resources held by the District as an agent for others.

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

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 the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. 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.

The District has approved a resolution that is in compliance with K.S.A. 75-110a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the statutory basis of accounting.

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

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, 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, matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

Budget and Tax Cycle

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

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

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 amendments for the year ended June 30, 2011.

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

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

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

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

| | |
|----------------------|--------------------------|
| Federal Funds | Gifts and Grants Fund |
| Special Reserve Fund | Contingency Reserve Fund |
| Textbook Rental Fund | District Activity Funds |

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

Note 2 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Note 3 - On-Behalf Payments for Fringe Benefits and Salaries:

The District recognizes as revenues and expenses contributions made by the State of Kansas to the Kansas Public Employees Retirement System (KPERs) on behalf of the District's employees. For the year ended June 30, 2011, the State made contributions of \$1,693,715. These contributions are recorded in the KPERs Contribution Fund as receipts and expenditures.

Note 4 - Prior Year Balances:

Certain prior year balances are presented for comparison purposes. Certain items have been reclassified in the June 30, 2010, financial statements in order to conform to the June 30, 2011, presentation.

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Note 5 - Deposits and Investments:

As of June 30, 2011, the District had the following investments:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Rating</u> |
|----------------------------------|---------------------|---------------|
| Kansas Municipal Investment Pool | <u>\$11,450,634</u> | S&P AA AF/SLT |

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 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. The rating of the District's investments is noted above.

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 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%. All deposits were legally secured at June 30, 2011.

At June 30, 2011, the District's carrying amount of deposits was \$6,752,516 and the bank balance was \$10,430,193. The bank balance is held by two banks. Of the bank balance, \$453,954 was covered by depository insurance, and \$9,976,236 was collateralized with securities held by the pledging financial institution's agent in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, 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.

At June 30, 2011, the District invested \$11,450,634 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligation of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Note 6 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

| | Transfer to: | | | | | | | | | | |
|--------------------------------|-------------------------|---------------------|------------------------|------------------|-----------------------------|---------------------|----------------------|-------------------------|------------------------|--------------------|---------------------|
| | At Risk (4 Year Old) | At Risk (K-12) | Bilingual Education | Food Service | Professional Development | Parent Education | Special Education | Vocational Education | Contingency Reserve | Textbook Rental | Total |
| Transfer from: General Fund | \$ 115,000 | \$ 1,645,000 | \$ 125,000 | \$ 50,000 | \$ 3,647 | \$ 40,000 | \$ 4,377,240 | \$ 250,000 | \$ 488,000 | \$ 165,000 | \$ 7,258,887 |
| Supplemental General Fund | 0 | 800,000 | 0 | 0 | 0 | 0 | 1,001,908 | 0 | 0 | 0 | 1,801,908 |
| | <u>\$ 115,000</u> | <u>\$ 2,445,000</u> | <u>\$ 125,000</u> | <u>\$ 50,000</u> | <u>\$ 3,647</u> | <u>\$ 40,000</u> | <u>\$ 5,379,148</u> | <u>\$ 250,000</u> | <u>\$ 488,000</u> | <u>\$ 165,000</u> | <u>\$ 9,060,795</u> |

Note 7 - Postemployment Benefits:

The District has adopted an early retirement program. Under the program, a full-time employee must have 20 years of service with the District to qualify for remuneration. Benefits for teachers retiring through age 62 are figured by dividing accumulated sick days by 2 and multiplying by \$100. Teachers retiring at age 63 have their accumulated sick days divided by 2 and multiplied by \$60. Teachers retiring at age 64 have their accumulated sick days divided by 2 and multiplied by \$35. The monthly payment is the calculated benefit divided by the number of months until the retiree reaches his or her 65th birthday.

It is the policy of the District to record these benefits as expenditures when paid. Total expenditures under the program for the year ended June 30, 2011, was \$5,027 for 3 former employees.

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 local government is subsidizing the retirees because each participant is charged a level of 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 government 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 cost to the government under this program.

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 8 - Defined Benefit Pension Plan:

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer, defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas Ave, 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 a minimum of 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 9.17% of covered payroll for the year ended June 30, 2011. These contribution requirements are established by KPERS and are periodically revised. Kansas contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010 and 2009 were \$253,834,044, \$248,468,186, and \$242,277,363 respectively, equal to the required contributions for each year.

Note 9 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

Note 10 - Reimbursed Expenses:

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Note 11 - Capital Projects:

At year-end, capital project authorization compared with expenditures from inception are as follows:

| | <u>Project Authorization</u> | <u>Expenditures to Date</u> |
|------------------|----------------------------------|---------------------------------|
| School Buildings | <u>\$84,414,030</u> | <u>\$84,252,715</u> |

Note 12 - Subsequent Events:

The District has evaluated subsequent events through January 11, 2012, the date which the financial statements were available to be issued.

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 13 - Long-Term Debt:

Principal payments are due annually for general obligation bonds on October 1. Interest payments are due semi-annually on April 1 and October 1.

Lease payments are due monthly.

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

| Issue | Interest Rate | Date of Issue | Amount of Issue | Date of Final Maturity |
|--------------------------|---------------|---------------|-----------------|------------------------|
| General Obligation Bonds | | | | |
| 1998 Series | 3.25 - 4.60 | 12/1/98 | \$ 9,600,000 | 10/1/16 |
| 1999 Series | 3.40 - 4.75 | 4/1/99 | \$ 17,440,000 | 10/1/16 |
| 2004 Series | 1.90 - 3.45 | 2/1/04 | \$ 1,330,000 | 10/1/13 |
| 2004 Series | 3.75 - 5.00 | 8/1/04 | \$ 7,000,000 | 10/1/24 |
| 2005 Series | 3.00 - 5.25 | 7/1/05 | \$ 21,150,000 | 10/1/16 |
| 2005 Series | 3.60 - 5.00 | 12/1/05 | \$ 11,300,000 | 10/1/10 |
| 2006 Series | 3.85 - 4.00 | 6/1/06 | \$ 4,000,000 | 10/1/10 |
| 2008 Series | 3.50 - 4.50 | 2/1/08 | \$ 33,714,700 | 10/1/28 |
| 2009-1 Series | 2.25 | 10/1/09 | \$ 840,000 | 10/1/13 |
| 2009-2 Series | 4.50 - 6.05 | 10/1/09 | \$ 50,000,000 | 10/1/29 |
| 2010 Series | 2.00 | 10/1/10 | \$ 1,500,000 | 10/1/16 |
| 2011 Series | 1.20 - 1.45 | 4/1/11 | \$ 2,750,000 | 10/1/15 |

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

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

| Issue | Balance Beginning of Year | Additions | Reductions/ Payments | Balance End of Year | Interest Paid |
|---------------------------------|---------------------------------|---------------------|-------------------------|------------------------|---------------------|
| General Obligation Bonds | | | | | |
| 1998 Series | \$ 2,985,000 | \$ 0 | \$ 0 | \$ 2,985,000 | \$ 145,519 |
| 1999 Series | 6,495,000 | 0 | 3,905,000 | 2,590,000 | 234,650 |
| 2004 Series | 585,000 | 0 | 135,000 | 450,000 | 16,496 |
| 2004 Series | 5,875,000 | 0 | 270,000 | 5,605,000 | 238,224 |
| 2005 Series | 18,690,000 | 0 | 1,050,000 | 17,640,000 | 818,213 |
| 2005 Series | 11,300,000 | 0 | 920,000 | 10,380,000 | 529,100 |
| 2006 Series | 1,070,000 | 0 | 1,070,000 | 0 | 20,597 |
| 2008 Series | 33,714,700 | 0 | 0 | 33,714,700 | 1,423,402 |
| 2009-1 Series | 840,000 | 0 | 40,000 | 800,000 | 18,450 |
| 2009-2 Series | 50,000,000 | 0 | 0 | 50,000,000 | 4,439,096 |
| 2010 Series | 0 | 1,500,000 | 0 | 1,500,000 | 15,000 |
| 2011 Series | 0 | 2,750,000 | 0 | 2,750,000 | 0 |
| | <u>\$ 131,554,700</u> | <u>\$ 4,250,000</u> | <u>\$ 7,390,000</u> | <u>\$ 128,414,700</u> | <u>\$ 7,898,747</u> |

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

| | Principal | Interest | |
|-------------|-----------------------|----------------------|-----------------------|
| | General | General | |
| | Obligation | Obligation | Total Principal |
| | Bonds | Bonds | and Interest |
| 2012 | \$ 4,875,000 | \$ 5,158,125 | \$ 10,033,125 |
| 2013 | 5,895,000 | 4,923,606 | 10,818,606 |
| 2014 | 6,300,000 | 4,684,214 | 10,984,214 |
| 2015 | 6,400,000 | 4,433,523 | 10,833,523 |
| 2016 | 6,180,000 | 4,176,348 | 10,356,348 |
| 2017 - 2021 | 29,109,700 | 17,762,364 | 46,872,064 |
| 2022 - 2026 | 35,460,000 | 11,294,997 | 46,754,997 |
| 2027 - 2030 | 34,195,000 | 2,981,880 | 37,176,880 |
| | <u>\$ 128,414,700</u> | <u>\$ 55,415,057</u> | <u>\$ 183,829,757</u> |

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 14 - 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 school 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 school district after June 30, as a receipt for the school year ending on June 30. The following shows the revenue as required by the Statutes.

Statutory Revenues and Expenditures - Statutory and Budget
For the Year Ended June 30, 2011

| | <u>General Fund</u> | | Variance - |
|--|---------------------|---------------|---------------|
| | Statutory | | Favorable |
| | Transactions | Budget | (Unfavorable) |
| Statutory Revenues | | | |
| Local Sources | \$ 4,793,852 | \$ 3,827,395 | \$ 966,457 |
| County Sources | 0 | 416 | (416) |
| State Sources | 22,618,644 | 24,843,859 | (2,225,215) |
| Federal Sources | 1,430,461 | 480,322 | 950,139 |
| | 28,842,957 | \$ 29,151,992 | \$ (309,035) |
| Expenditures | | | |
| Instruction | 9,503,632 | \$ 9,972,800 | \$ 469,168 |
| Student Support Services | 1,356,464 | 1,397,732 | 41,268 |
| Instructional Support Staff | 838,109 | 860,556 | 22,447 |
| General Administration | 767,004 | 774,963 | 7,959 |
| School Administration | 2,355,370 | 2,126,160 | (229,210) |
| Operations & Maintenance | 4,484,481 | 4,085,764 | (398,717) |
| Student Transportation Services | 1,644,619 | 1,667,070 | 22,451 |
| Other Supplemental Services | 634,391 | 691,949 | 57,558 |
| Transfers | 7,258,887 | 7,575,000 | 316,113 |
| Adjustment to Comply with Legal Max | 0 | (1,152,050) | (1,152,050) |
| Adjustment for Qualifying Budget Credits | 0 | 843,013 | 843,013 |
| | 28,842,957 | \$ 28,842,957 | \$ 0 |
| Receipts Over (Under) Expenditures | 0 | | |
| Modified Unencumbered Cash, Beginning | 2 | | |
| Prior Year Canceled Encumbrances | 0 | | |
| Modified Unencumbered Cash, Ending | \$ 2 | | |

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Statutory Revenues and Expenditures - Statutory and Budget
For the Year Ended June 30, 2011

Supplemental General Fund

| | <u>Statutory</u> | <u>Budget</u> | <u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u> |
|---------------------------------------|---------------------|---------------------|---|
| | <u>Transactions</u> | | |
| Statutory Revenues | | | |
| Local Sources | \$ 4,185,561 | \$ 3,816,603 | \$ 368,958 |
| County Sources | 561,252 | 567,324 | (6,072) |
| State Sources | <u>4,720,569</u> | <u>4,792,236</u> | <u>(71,667)</u> |
| | <u>9,467,382</u> | <u>\$ 9,176,163</u> | <u>\$ 291,219</u> |
| Expenditures | | | |
| Instruction | 6,060,513 | \$ 6,591,087 | \$ 530,574 |
| Student Support Services | 88,186 | 50,000 | (38,186) |
| Instructional Support Staff | 283,614 | 235,925 | (47,689) |
| General Administration | 25,940 | 28,000 | 2,060 |
| School Administration | 96,512 | 55,000 | (41,512) |
| Operations & Maintenance | 234,008 | 208,000 | (26,008) |
| Student Transportation Services | 22,963 | 0 | (22,963) |
| Other Supplemental Services | 785,370 | 832,581 | 47,211 |
| Transfers | 1,801,908 | 1,510,000 | (291,908) |
| Adjustment to Comply with Legal Max | 0 | (111,579) | (111,579) |
| | <u>9,399,014</u> | <u>\$ 9,399,014</u> | <u>\$ 0</u> |
| Receipts Over (Under) Expenditures | 68,368 | | |
| Modified Unencumbered Cash, Beginning | 334,430 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | | |
| Modified Unencumbered Cash, Ending | <u>\$ 402,798</u> | | |

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Statutory Revenues and Expenditures - Statutory and Budget
For the Year Ended June 30, 2011
Parent Education Fund

| | Statutory Transactions | Budget | Variance - Favorable (Unfavorable) |
|---|---------------------------|------------------|--|
| Statutory Revenues | | | |
| State Sources | \$ 34,400 | \$ 35,000 | \$ (600) |
| Transfers | <u>40,000</u> | <u>30,000</u> | <u>10,000</u> |
| | <u>74,400</u> | <u>\$ 65,000</u> | <u>\$ 9,400</u> |
| Expenditures | | | |
| Student Support Services | 57,085 | \$ 75,000 | \$ 17,915 |
| Instructional Support Staff | <u>500</u> | <u>0</u> | <u>(500)</u> |
| | <u>57,585</u> | <u>\$ 75,000</u> | <u>\$ 17,415</u> |
| Receipts Over (Under) Expenditures | 16,815 | | |
| Modified Unencumbered Cash, Beginning | 22,159 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | | |
| Modified Unencumbered Cash, Ending | <u>\$ 38,974</u> | | |

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Statutory Revenues and Expenditures - Statutory and Budget
For the Year Ended June 30, 2011

| | Statutory Transactions | Budget | Variance - Favorable (Unfavorable) |
|---------------------------------------|---------------------------|---------------------|--|
| <u>KPERS Contribution Fund</u> | | | |
| Statutory Revenues | | | |
| State Sources | \$ 1,693,715 | \$ 2,400,000 | \$ (706,285) |
| | <u>1,693,715</u> | <u>\$ 2,400,000</u> | <u>\$ (706,285)</u> |
| Expenditures | | | |
| Instruction | 1,014,874 | \$ 1,400,000 | \$ 385,126 |
| Student Support Services | 80,621 | 125,000 | 44,379 |
| Instructional Support Staff | 60,296 | 85,000 | 24,704 |
| General Administration | 26,083 | 40,000 | 13,917 |
| School Administration | 136,175 | 175,000 | 38,825 |
| Other Supplemental Services | 70,458 | 100,000 | 29,542 |
| Operations & Maintenance | 163,274 | 225,000 | 61,726 |
| Student Transportation Services | 83,331 | 125,000 | 41,669 |
| Food Service Operation | 58,603 | 125,000 | 66,397 |
| | <u>1,693,715</u> | <u>\$ 2,400,000</u> | <u>\$ 706,285</u> |
| Receipts Over (Under) Expenditures | 0 | | |
| Modified Unencumbered Cash, Beginning | 0 | | |
| Prior Year Canceled Encumbrances | <u>0</u> | | |
| Modified Unencumbered Cash, Ending | <u>\$ 0</u> | | |

FEDERAL AWARD INFORMATION



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**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
Goddard Unified School District No. 265
Goddard, Kansas**

We have audited the financial statements of **Goddard Unified School District No. 265, Goddard, Kansas**, as of and for the year ended **June 30, 2011**, and have issued our report thereon dated January 11, 2012, which was adverse because of the District's policy to prepare its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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

Management of **Goddard Unified School District No. 265, Goddard, Kansas**, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered **Goddard Unified School District No. 265, Goddard, Kansas'** 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 **Goddard Unified School District No. 265, Goddard, Kansas'** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **Goddard Unified School District No. 265, Goddard, Kansas'** 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis.

**Board of Education
Goddard Unified School District No. 265**

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Goddard Unified School District No. 265, Goddard, Kansas'** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of **Goddard Unified School District No. 265, Goddard, Kansas**, in a separate letter dated January 11, 2012.

This report is intended solely for the information and use of the Board of Education and management of **Goddard Unified School District No. 265, Goddard, Kansas**, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, The Kansas Department of Education, and other federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.


Busby Ford & Reimer, LLC
January 11, 2012



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditor's Report

**Board of Education
Goddard Unified School District No. 265
Goddard, Kansas**

Compliance

We have audited **Goddard Unified School District No. 265, Goddard, Kansas'** compliance with the types of compliance requirements described in the *OMB Circular A-133, Compliance Supplement* that could have a direct and material effect on each of **Goddard Unified School District No. 265, Goddard, Kansas'** major federal programs for the year ended **June 30, 2011**. **Goddard Unified School District No. 265, Goddard, Kansas'** 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 **Goddard Unified School District No. 265, Goddard, Kansas'** management. Our responsibility is to express an opinion on **Goddard Unified School District No. 265, Goddard, Kansas'** 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 **Goddard Unified School District No. 265, Goddard, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **Goddard Unified School District No. 265, Goddard, Kansas'** compliance with those requirements.

In our opinion, **Goddard Unified School District No. 265, Goddard, Kansas** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 2011**.

**Board of Education
Goddard Unified School District No. 265**

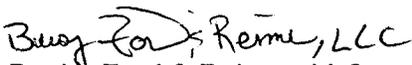
Internal Control Over Compliance

Management of **Goddard Unified School District No. 265, Goddard, 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 **Goddard Unified School District No. 265, Goddard, Kansas'** internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Goddard Unified School District No. 265, Goddard, Kansas'** internal control over compliance.

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

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

This report is intended solely for the information and use of the Board of Education and management of **Goddard Unified School District No. 265, Goddard, Kansas**, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, The Kansas Department of Education, and other federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.


Busby Ford & Reimer, LLC
January 11, 2012

GODDARD UNIFIED SCHOOL DISTRICT NO. 265
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

| Grant Title | Federal CFDA No. | Program Amount | Unencumbered Cash 7-1-10 | Receipts | Expenditures | Unencumbered Cash 6-30-11 |
|---|------------------|---------------------|--------------------------|---------------------|---------------------|---------------------------|
| <u>(Passes Through Kansas Department of Education)</u> | | | | | | |
| Department of Agriculture | | | | | | |
| School Breakfast Program | 10.553 | \$ 83,187 | | | | |
| National School Lunch Program | 10.555 | 613,066 | | | | |
| | | <u>696,253</u> | <u>\$ 0</u> | <u>\$ 696,253</u> | <u>\$ 696,253</u> | <u>\$ 0</u> |
| <u>Department of Education</u> | | | | | | |
| Title I | 84.010 | 262,510 | (49,964) | 262,510 | 325,262 | (112,716) |
| Drug Free | 84.186 | 8,908 | (8,908) | 8,908 | 0 | 0 |
| Title II Tech Literacy | 84.318 | 50 | 0 | 50 | 50 | 0 |
| Advance Placement Program | 84.330 | 13,000 | 14,478 | 13,000 | 21,737 | 5,741 |
| English Language Acquisition | 84.365 | 16,155 | (3,067) | 16,155 | 13,088 | 0 |
| Title II | 84.367 | 98,879 | (35,761) | 98,879 | 70,542 | (7,424) |
| Title II-Tech Literacy - ARRA | 84.386 | 2,928 | (1,237) | 2,928 | 1,691 | 0 |
| Title I - ARRA | 84.389 | 75,566 | 0 | 75,566 | 75,566 | 0 |
| Stabilization - ARRA | 84.394 | 480,322 | 0 | 480,322 | 480,322 | 0 |
| Education Jobs Fund | 84.410 | 841,042 | 0 | 841,042 | 841,042 | 0 |
| | | <u>1,799,360</u> | <u>(84,459)</u> | <u>1,799,360</u> | <u>1,829,300</u> | <u>(114,399)</u> |
| <u>(Passes Through South Central Kansas Education Service Center)</u> | | | | | | |
| Department of Education | | | | | | |
| Carl Perkins | 84.048 | 16,917 | 0 | 16,917 | 16,917 | 0 |
| <u>(Passes Through Kansas SRS)</u> | | | | | | |
| Department of Health and Human Services | | | | | | |
| Medicaid | 93.778 | 109,097 | 0 | 109,097 | 109,097 | 0 |
| Total Federal Awards | | <u>\$ 2,621,627</u> | <u>\$ (84,459)</u> | <u>\$ 2,621,627</u> | <u>\$ 2,651,567</u> | <u>\$ (114,399)</u> |

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Goddard Unified School District No. 265, Goddard, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011**

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an adverse opinion on the financial statements of **Goddard Unified School District No. 265, Goddard, Kansas.**
2. No significant deficiencies or material weaknesses were reported in the 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.*
3. No instances of noncompliance material to the financial statements of **Goddard Unified School District No. 265, Goddard, Kansas,** were disclosed during the audit.
4. No significant deficiencies or material weakness were reported in the 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.
5. The auditors' report on compliance for the major federal award programs for **Goddard Unified School District No. 265, Goddard, Kansas,** expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for **Goddard Unified School District No. 265, Goddard, Kansas.**
7. The programs tested as major programs were:

| | |
|----------------------|--------|
| Title I | 84.010 |
| Title I - ARRA | 84.389 |
| Stabilization - ARRA | 84.394 |
| Education Jobs Fund | 84.410 |
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. **Goddard Unified School District No. 265, Goddard, Kansas,** was determined not to be a low-risk auditee.

**GODDARD UNIFIED SCHOOL DISTRICT NO. 265
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011**

There are no prior audit findings.