

UNIFIED SCHOOL DISTRICT NO. 316
Golden Plains Schools
Rexford, Kansas
Audit Report
July 1, 2010 to June 30, 2011

MAPES & MILLER
Certified Public Accountants
Quinter, Kansas

UNIFIED SCHOOL DISTRICT NO. 316
Golden Plains Schools
Rexford, Kansas
Audit Report
July 1, 2010 to June 30, 2011

Table of Contents

	<u>Page Number</u>
Independent Auditor's Report	1
<u>Financial Statements</u>	
STATEMENT 1	
Summary of Cash Receipts, Expenditures, and Unencumbered Cash	3
STATEMENT 2	
Summary of Expenditures - Actual and Budget	5
STATEMENT 3	
Statement of Cash Receipts and Expenditures	
General Funds	6
Special Revenue Funds	9
Debt Service Funds	24
Private Purpose Trust Funds	25
STATEMENT 4	
Summary of Cash Receipts and Cash Disbursements	
Agency Funds	26
STATEMENT 5	
Statement of Cash Receipts, Expenditures and Unencumbered Cash	
District Activity Funds	27
Notes to the Financial Statements	28

MAPES & MILLER

CERTIFIED PUBLIC ACCOUNTANTS
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

JOHN D. MAPES, CPA
DENIS W. MILLER, CPA
THOMAS B. CARPENTER, CPA
DON E. TILTON, CPA

418 E HOLME
NORTON, KS 67654
(785) 877-5833

P.O. BOX 266
711 3RD STREET
PHILLIPSBURG, KS 67661
(785) 543-6561

P.O. BOX 508
503 MAIN STREET
STOCKTON, KS 67669
(785) 425-6764

P.O. BOX 412
230 MAIN STREET
QUINTER, KS 67752
(785) 754-2111

P.O. BOX 73
117 N MAIN STREET
WAKEENEY, KS 67672
(785) 743-5512

306 N POMEROY
HILL CITY, KS 67642
(785) 421-2163

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 316
Rexford, Kansas 67753

We have audited the accompanying financial statements of Unified School District No. 316, Rexford, 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.

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

As described more fully in Note 1, the District has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

To the Board of Education
Unified School District No. 316
Page Two

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 316, Rexford, Kansas, as of June 30, 2011, or the changes in its financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of Unified School District No. 316, Rexford, Kansas, as of June 30, 2011, and its cash receipts and expenditures, and budgetary comparisons for the year then ended, taken as a whole, on the basis of accounting described in Note 1.

Mapes & Miller

Certified Public Accountants
December 15, 2011

Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:						
General Funds:						
General Fund	\$ (196,705) **	2,031,366	2,006,537	(171,876) *	0	(171,876)
Supplemental General Fund	(3,040)	474,305	450,000	21,265	43,114	64,379
Special Revenue Funds:						
At Risk Fund (4 Year Old)	0	555	555	0	200	200
At Risk Fund (K-12)	100,000	306,301	241,301	165,000	300	165,300
Bilingual Education Fund	0	17,917	17,917	0	0	0
Capital Outlay Fund	105,678	246,449	38,130	313,997	0	313,997
Driver Training Fund	844	592	0	1,436	0	1,436
Food Service Fund	44,500	142,537	139,853	47,184	0	47,184
Professional Development Fund	2,734	4,905	1,919	5,720	0	5,720
Special Education Fund	158,792	413,884	365,935	206,741	259	207,000
Vocational Education Fund	0	4,440	4,440	0	12	12
Gifts and Grants Fund	7,012	4,368	3,858	7,522	196	7,718
KPERS Special Retirement Contribution Fund	(40,903)	118,137	77,234	0	0	0
Federal Funds	11,217 **	177,480	195,894	(7,197) *	50,403	43,206
Textbook and Student Material Revolving Fund	17,726	10,770	3,450	25,046	370	25,416
Contingency Reserve Fund	184,354 **	13,960	0	198,314	0	198,314
District Activity Funds (Statement 5)	162	11,147	9,324	1,985	0	1,985
Debt Service Funds:						
Bond and Interest Fund	87,714	13,457	50,950	50,221	0	50,221
Fiduciary Type Funds:						
Private Purpose Trust Funds:						
Scholarship Fund	3,209	0	375	2,834	0	2,834
Total Reporting Entity						
(Excluding Agency Funds)	\$ 483,294	3,992,570	3,607,672	868,192	94,854	963,046

* See the Notes to the Financial Statements, 11. Statutory Compliance.

** See the Notes to the Financial Statements, 13. Prior Period Adjustment.

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

UNIFIED SCHOOL DISTRICT NO. 316

Golden Plains Schools

Rexford, Kansas

Composition of Cash

For the Year Ended June 30, 2011

STATEMENT 1

Page 2

The Bank - Selden, Kansas

Checking Account	\$	1,000
NOW Accounts		882,322
Certificates of Deposit		<u>109,500</u>

Total Cash		992,822
------------	--	---------

Agency Funds Per Statement 4		<u>(29,776)</u>
------------------------------	--	-----------------

Total Reporting Entity (Excluding Agency Funds)	\$	<u>963,046</u>
---	----	-----------------------

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

UNIFIED SCHOOL DISTRICT NO. 316
Golden Plains Schools
Rexford, Kansas

STATEMENT 2

Summary of Expenditures - Actual and Budget
For the Year Ended June 30, 2011

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:						
General Funds:						
General Fund	\$ 2,007,476	(4,330)	3,391	2,006,537	2,006,537	0
Supplemental General Fund	450,000	0	0	450,000	450,000	0
Special Revenue Funds:						
At Risk Fund (4 Year Old)	15,000	0	0	15,000	555	(14,445)
At Risk Fund (K-12)	300,000	0	0	300,000	241,301	(58,699)
Bilingual Education Fund	22,000	0	0	22,000	17,917	(4,083)
Capital Outlay Fund	202,865	0	0	202,865	38,130	(164,735)
Driver Training Fund	7,314	0	0	7,314	0	(7,314)
Food Service Fund	186,122	0	0	186,122	139,853	(46,269)
Professional Development Fund	2,000	0	0	2,000	1,919	(81)
Special Education Fund	457,735	0	0	457,735	365,935	(91,800)
Vocational Education Fund	22,823	0	0	22,823	4,440	(18,383)
Gifts and Grants Fund	0	0	0	0	3,858	*
KPERS Special Retirement Contribution Fund	103,000	0	0	103,000	77,234	(25,766)
Federal Funds	138,948	0	0	138,948	195,894	**
Debt Service Funds:						
Bond and Interest Fund	50,950	0	0	50,950	50,950	0

* Exempt from budget law per K.S.A. 72-8210

** Exempt from budget law per K.S.A. 12-1663

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

Golden Plains Schools

Rexford, Kansas

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	Actual	Budget	Variance Over (Under)
Cash Receipts:			
Ad Valorem Property Tax			
Tax in Process	\$ 4,000	4,524	(524)
Current Tax	162,612	157,001	5,611
Delinquent Tax	742	1,177	(435)
Mineral Production Tax	2,015	1,000	1,015
State General Aid	1,505,725	1,544,358	(38,633)
State Special Education Aid	255,684	260,033	(4,349)
Federal ARRA Stabilization Aid	35,332	35,332	0
Federal Education Jobs Aid	61,865	0	61,865
Reimbursements	3,391	0	3,391
	<u>2,031,366</u>	<u>2,003,425</u>	<u>27,941</u>
Total Cash Receipts			
Expenditures:			
Instruction	685,057	837,476	(152,419)
Student Support Services	23,153	28,750	(5,597)
Instructional Support Staff	7,413	74,397	(66,984)
General Administration	54,254	96,500	(42,246)
School Administration	100,778	111,390	(10,612)
Operations and Maintenance	98,344	152,490	(54,146)
Operations and Maintenance - Transportation	0	700	(700)
Student Transportation Services	2,219	4,310	(2,091)
Vehicle Operating Services	65,233	94,760	(29,527)
Vehicle Services and Maintenance Services	1,336	8,600	(7,264)
Other Student Transportation Services	232	1,800	(1,568)
Other Supplemental Services	72,267	76,270	(4,003)
Transfer to At Risk Fund (4 Year Old)	555	15,000	(14,445)
Transfer to At Risk Fund (K-12)	229,985	200,000	29,985
Transfer to Bilingual Education Fund	17,917	22,000	(4,083)
Transfer to Capital Outlay Fund	230,582	0	230,582

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

Golden Plains Schools

Rexford, Kansas

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	Actual	Budget	Variance Over (Under)
Transfer to Professional Development Fund	\$ 4,905	0	4,905
Transfer to Special Education Fund	393,907	260,033	133,874
Transfer to Vocational Education Fund	4,440	23,000	(18,560)
Transfer to Contingency Reserve Fund	13,960	0	13,960
Adjustment to Comply with Legal Max	0	(4,330)	4,330
Legal General Fund Budget	2,006,537	2,003,146	3,391
Adjustments for Qualifying Budget Credits			
Reimbursements	0	3,391	(3,391)
Total Expenditures	<u>2,006,537</u>	<u>2,006,537</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	24,829		
Unencumbered Cash, Beginning	<u>(196,705)</u>		
Unencumbered Cash, Ending	\$ <u>(171,876)</u>		

Additional Information

See the Notes to the Financial Statements, 15. Compliance with K.S.A. 72-6417 (d) and K.S.A. 72-6434 (d), for the schedule of Statutory Revenues and Expenditures for the General Fund in compliance with these statutes.

Golden Plains Schools

Rexford, Kansas

Supplemental General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	Actual	Budget	Variance Over (Under)
Cash Receipts:			
Ad Valorem Property Tax			
Tax in Process	\$ 4,451	5,460	(1,009)
Current Tax	201,545	161,448	40,097
Delinquent Tax	685	1,120	(435)
Motor Vehicle Tax	13,587	14,488	(901)
Recreational Vehicle Tax	266	297	(31)
Other Revenue From Local Source	1,066	0	1,066
Supplemental State Aid	252,705	238,795	13,910
	<u>474,305</u>	<u>421,608</u>	<u>52,697</u>
Total Cash Receipts	<u>474,305</u>	<u>421,608</u>	<u>52,697</u>
Expenditures:			
Instruction	55,299	138,800	(83,501)
Student Support Services	570	0	570
Instructional Support Staff	2,309	10,800	(8,491)
General Administration	111,652	43,800	67,852
School Administration	11,493	8,200	3,293
Operations and Maintenance	71,417	33,950	37,467
Operations and Maintenance - Transportation	0	12,290	(12,290)
Student Transportation Services - Supervision	74,203	65,000	9,203
Vehicle Services and Maintenance Services	10,478	3,060	7,418
Other Student Transportation Services	931	0	931
Other Supplemental Services	3,104	3,100	4
Transfer to At Risk Fund (K-12)	76,316	0	76,316
Transfer to Driver Training Fund	0	6,000	(6,000)
Transfer to Food Service Fund	32,228	0	32,228
Transfer to Special Education Fund	0	125,000	(125,000)
	<u>450,000</u>	<u>450,000</u>	<u>0</u>
Total Expenditures	<u>450,000</u>	<u>450,000</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	24,305		
Unencumbered Cash, Beginning	<u>(3,040)</u>		
Unencumbered Cash, Ending	\$ <u>21,265</u>		

Additional Information

See the Notes to the Financial Statements, 15. Compliance with K.S.A. 72-6417 (d) and K.S.A. 72-6434 (d), for the schedule of Statutory Revenues and Expenditures for the Supplemental General Fund in compliance with these statutes.

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
At Risk Fund (4 Year Old)			
Cash Receipts:			
Transfer from General Fund	\$ <u>555</u>	<u>15,000</u>	<u>(14,445)</u>
Expenditures:			
Instruction	334	15,000	(14,666)
School Administration	<u>221</u>	<u>0</u>	<u>221</u>
Total Expenditures	<u>555</u>	<u>15,000</u>	<u>(14,445)</u>
Cash Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
At Risk Fund (K-12)			
Cash Receipts:			
Transfer from General Fund	\$ 229,985	200,000	29,985
Transfer from Supplemental General Fund	<u>76,316</u>	<u>0</u>	<u>76,316</u>
Total Cash Receipts	<u>306,301</u>	<u>200,000</u>	<u>106,301</u>
Expenditures:			
Instruction	241,001	272,980	(31,979)
Instructional Support Staff	0	21,020	(21,020)
School Administration	300	0	300
Operations and Maintenance	<u>0</u>	<u>6,000</u>	<u>(6,000)</u>
Total Expenditures	<u>241,301</u>	<u>300,000</u>	<u>(58,699)</u>
Cash Receipts Over (Under) Expenditures	65,000		
Unencumbered Cash, Beginning	<u>100,000</u>		
Unencumbered Cash, Ending	\$ <u>165,000</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Bilingual Education Fund			
Cash Receipts:			
Transfer from General Fund	\$ <u>17,917</u>	<u>22,000</u>	<u>(4,083)</u>
Expenditures:			
Instruction	<u>17,917</u>	<u>22,000</u>	<u>(4,083)</u>
Cash Receipts Over (Under) Expenditures	<u>0</u>		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	Actual	Budget	Variance Over (Under)
Capital Outlay Fund			
Cash Receipts:			
Ad Valorem Property Tax			
Tax in Process	\$ 1,028	1,253	(225)
Current Tax	33	0	33
Delinquent Tax	185	259	(74)
Motor Vehicle Tax	4,589	4,733	(144)
Recreational Vehicle Tax	86	97	(11)
Other Revenue From Local Source	8,497	88,845	(80,348)
Interest on Idle Funds	1,449	2,000	(551)
Transfer from General Fund	<u>230,582</u>	<u>0</u>	<u>230,582</u>
 Total Cash Receipts	 <u>246,449</u>	 <u>97,187</u>	 <u>149,262</u>
Expenditures:			
Instruction	760	15,465	(14,705)
Student Support Services	0	14,000	(14,000)
Instructional Support Staff	0	2,000	(2,000)
General Administration	1,140	2,100	(960)
School Administration	540	2,000	(1,460)
Central Services	0	2,000	(2,000)
Operations and Maintenance	12,443	20,000	(7,557)
Transportation	0	94,300	(94,300)
Land Improvement	23,247	5,000	18,247
Architectural and Engineering Services	0	4,000	(4,000)
Site Improvement	0	10,000	(10,000)
Building Improvements	<u>0</u>	<u>32,000</u>	<u>(32,000)</u>
 Total Expenditures	 <u>38,130</u>	 <u>202,865</u>	 <u>(164,735)</u>
 Cash Receipts Over (Under) Expenditures	 <u>208,319</u>		
Unencumbered Cash, Beginning	<u>105,678</u>		
 Unencumbered Cash, Ending	 <u>\$ 313,997</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Driver Training Fund			
Cash Receipts:			
State Safety Aid	\$ 592	1,540	(948)
Transfer from Supplemental General Fund	<u>0</u>	<u>6,000</u>	<u>(6,000)</u>
Total Cash Receipts	<u>592</u>	<u>7,540</u>	<u>(6,948)</u>
Expenditures:			
Instruction	<u>0</u>	<u>7,314</u>	<u>(7,314)</u>
Cash Receipts Over (Under) Expenditures	592		
Unencumbered Cash, Beginning	<u>844</u>		
Unencumbered Cash, Ending	\$ <u>1,436</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Food Service Fund			
Cash Receipts:			
Federal Aid	\$ 75,777	91,009	(15,232)
State Aid	1,230	1,226	4
Food Program Receipts	33,302	73,126	(39,824)
Interest on Idle Funds	0	10,000	(10,000)
Transfer from Supplemental General Fund	<u>32,228</u>	<u>0</u>	<u>32,228</u>
 Total Cash Receipts	 <u>142,537</u>	 <u>175,361</u>	 <u>(32,824)</u>
Expenditures:			
Operations and Maintenance	0	657	(657)
Food Service Operations	<u>139,853</u>	<u>185,465</u>	<u>(45,612)</u>
 Total Expenditures	 <u>139,853</u>	 <u>186,122</u>	 <u>(46,269)</u>
 Cash Receipts Over (Under) Expenditures	 2,684		
Unencumbered Cash, Beginning	<u>44,500</u>		
 Unencumbered Cash, Ending	 \$ <u>47,184</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Professional Development Fund			
Cash Receipts			
Transfer from General Fund	\$ <u>4,905</u>	<u>0</u>	<u>4,905</u>
Expenditures:			
Instructional Support Staff	<u>1,919</u>	<u>2,000</u>	<u>(81)</u>
Cash Receipts Over (Under) Expenditures	<u>2,986</u>		
Unencumbered Cash, Beginning	<u>2,734</u>		
Unencumbered Cash, Ending	\$ <u>5,720</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Special Education Fund			
Cash Receipts:			
Other Revenue From Local Source	\$ 19,977	5,000	14,977
Transfer from General Fund	393,907	260,033	133,874
Transfer from Supplemental General Fund	<u>0</u>	<u>125,000</u>	<u>(125,000)</u>
Total Cash Receipts	<u>413,884</u>	<u>390,033</u>	<u>23,851</u>
Expenditures:			
Instruction	363,131	450,408	(87,277)
Student Transportation Services - Supervision	2,804	5,327	(2,523)
Vehicle Operating Services	<u>0</u>	<u>2,000</u>	<u>(2,000)</u>
Total Expenditures	<u>365,935</u>	<u>457,735</u>	<u>(91,800)</u>
Cash Receipts Over (Under) Expenditures	47,949		
Unencumbered Cash, Beginning	<u>158,792</u>		
Unencumbered Cash, Ending	\$ <u>206,741</u>		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Vocational Education Fund			
Cash Receipts:			
Transfer from General Fund	\$ <u>4,440</u>	<u>23,000</u>	<u>(18,560)</u>
Expenditures:			
Instruction	<u>4,440</u>	<u>22,823</u>	<u>(18,383)</u>
Cash Receipts Over (Under) Expenditures	<u>0</u>		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

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

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Gifts and Grants Fund			
Cash Receipts:			
Other Revenue From Local Source	\$ <u>4,368</u>	<u>0</u>	<u>4,368</u>
Expenditures:			
Instruction	<u>3,858</u>	<u>0</u>	<u>3,858</u> *
Cash Receipts Over (Under) Expenditures	510		
Unencumbered Cash, Beginning	<u>7,012</u>		
Unencumbered Cash, Ending	\$ <u>7,522</u>		

* Exempt from budget law per K.S.A. 72-8210

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
KPERS Special Retirement Contribution Fund			
Cash Receipts:			
State of Kansas	\$ <u>118,137</u>	<u>103,000</u>	<u>15,137</u>
Expenditures:			
Instruction	54,039	69,000	(14,961)
Instructional Support	1,485	6,000	(4,515)
General Administration	5,862	7,000	(1,138)
School Administration	5,296	7,000	(1,704)
Operation and Maintenance	3,984	7,000	(3,016)
Student Transportation Services	3,239	4,000	(761)
Food Service	<u>3,329</u>	<u>3,000</u>	<u>329</u>
Total Expenditures	<u>77,234</u>	<u>103,000</u>	<u>(25,766)</u>
Cash Receipts Over (Under) Expenditures	40,903		
Unencumbered Cash, Beginning	<u>(40,903)</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

Additional InformationSee the Notes to the Financial Statements, 14. KPERS Special Retirement Contribution Fund.

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

UNIFIED SCHOOL DISTRICT NO. 316
 Golden Plains Schools
 Rexford, Kansas
 Special Revenue Funds
 FEDERAL FUNDS

Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2011

	Title I - ARRA	Migrant	Rural Enhancement Grant	Title I	Title II-A	Title II-D - ARRA	Title II-D
Cash Receipts:							
Federal Aid	\$ 15,973	82,500	25,038	44,228	5,879	460	505
Expenditures:							
Instruction	20,701	77,529	40,186	38,314	172	0	0
Student Support Services	343	0	0	0	320	0	374
Instructional Support Staff	411	0	0	650	5,200	300	131
General Administration	0	0	0	0	0	0	0
School Administration	0	0	0	0	0	0	0
Vehicle Operating Services	150	0	0	0	0	0	0
Other Supplemental Service	0	6,372	0	0	0	0	0
Total Expenditures	21,605	83,901	40,186	38,964	5,692	300	505
Cash Receipts Over (Under) Expenditures	(5,632)	(1,401)	(15,148)	5,264	187	160	0
Unencumbered Cash, Beginning	5,554	1,401	(30)	353	1,062	0	379
Unencumbered Cash, Ending	\$ (78)	0	(15,178)	5,617	1,249	160	379

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

UNIFIED SCHOOL DISTRICT NO. 316
 Golden Plains Schools
 Rexford, Kansas
 Special Revenue Funds
 FEDERAL FUNDS

Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2011

	Title III	Title V	Character Education	Drug Free Schools	Total	Budget	Variance Over (Under)
Cash Receipts:							
Federal Aid	\$ 0	0	2,327	570	177,480	126,361	51,119
Expenditures:							
Instruction	0	0	2,000	0	178,902	125,948	52,954
Student Support Services	0	0	0	470	1,507	1,000	507
Instructional Support Staff	0	0	755	1,189	8,636	12,000	(3,364)
General Administration	0	0	77	0	77	0	77
School Administration	0	0	250	0	250	0	250
Vehicle Operating Services	0	0	0	0	150	0	150
Other Supplemental Service	0	0	0	0	6,372	0	6,372
Total Expenditures	0	0	3,082	1,659	195,894	138,948	56,946
Cash Receipts Over (Under) Expenditures	0	0	(755)	(1,089)	(18,414)		
Unencumbered Cash, Beginning	1,399	10	0	1,089	11,217		
Unencumbered Cash, Ending	\$ 1,399	10	(755)	0	(7,197)		

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

Golden Plains Schools

Rexford, Kansas

Special Revenue Funds

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended June 30, 2011

	<u>Actual</u>
Textbook and Student Material Revolving Fund	
Cash Receipts:	
Fees	\$ 7,585
Miscellaneous	<u>3,185</u>
Total Cash Receipts	<u>10,770</u>
Expenditures:	
Instruction	2,360
Instructional Support Staff	<u>1,090</u>
Total Expenditures:	<u>3,450</u>
Cash Receipts Over (Under) Expenditures	7,320
Unencumbered Cash, Beginning	<u>17,726</u>
Unencumbered Cash, Ending	\$ <u>25,046</u>

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

	<u>Actual</u>
Contingency Reserve Fund	
Cash Receipts:	
Transfer from General Fund	\$ <u>13,960</u>
Expenditures	<u>0</u>
Cash Receipts Over (Under) Expenditures	13,960
Unencumbered Cash, Beginning	<u>184,354</u>
Unencumbered Cash, Ending	\$ <u><u>198,314</u></u>

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

Golden Plains Schools

Rexford, Kansas

Debt Service Funds

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Bond and Interest Fund			
Cash Receipts:			
Ad Valorem Property Tax			
Tax in Process	\$ 563	0	563
Delinquent Tax	61	0	61
Motor Vehicle Tax	2,639	2,995	(356)
Recreational Vehicle Tax	52	61	(9)
State Aid	<u>10,142</u>	<u>10,700</u>	<u>(558)</u>
 Total Cash Receipts	 <u>13,457</u>	 <u>13,756</u>	 <u>(299)</u>
Expenditures:			
Principal	50,000	50,000	0
Interest	<u>950</u>	<u>950</u>	<u>0</u>
 Total Expenditures	 <u>50,950</u>	 <u>50,950</u>	 <u>0</u>
 Cash Receipts Over (Under) Expenditures	 <u>(37,493)</u>		
Unencumbered Cash, Beginning	<u>87,714</u>		
 Unencumbered Cash, Ending	 <u>\$ 50,221</u>		

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

Private Purpose Trust Funds

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended June 30, 2011

	<u>Actual</u>
Scholarship Fund	
Cash Receipts	\$ <u>0</u>
Expenditures:	
Scholarships	<u>375</u>
Cash Receipts Over (Under) Expenditures	(375)
Unencumbered Cash, Beginning	<u>3,209</u>
Unencumbered Cash, Ending	\$ <u><u>2,834</u></u>

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

Golden Plains Schools

Rexford, Kansas

Agency Funds

Summary 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:				
Band Club	\$ 791	227	5	1,013
National Honor Society	19	177	176	20
Pep Club	205	8,406	7,798	813
Varsity Club	672	1,877	1,107	1,442
Student Council	1,518	2,905	2,590	1,833
Yearbook	4,702	5,437	4,727	5,412
Class of 2011	16,109	10,128	26,237	0
Class of 2012	3,084	26,442	15,761	13,765
Class of 2013	1,277	7,885	5,038	4,124
Class of 2014	2	1,301	0	1,303
Class of 2015	0	120	69	51
Sales Tax	23	3,576	3,599	0
Total Agency Funds	\$ 28,402	68,481	67,107	29,776

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

UNIFIED SCHOOL DISTRICT NO. 316
 Golden Plains Schools
 Rexford, Kansas
 District Activity Funds

STATEMENT 5

Statement of Cash Receipts, Expenditures and Unencumbered Cash
 For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
Athletics	\$ 162	11,147	9,324	1,985	0	1,985
Total District Activity Funds	\$ 162	11,147	9,324	1,985	0	1,985

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

UNIFIED SCHOOL DISTRICT NO. 316
Golden Plains Schools
Rexford, Kansas
Notes to the Financial Statements
June 30, 2011

1. Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 316, Rexford, Kansas, operates as a unified school district in accordance with the laws of the State of Kansas. The District is operated by an elected board of education and provides the following services: education, culture and recreation.

Accounting principles generally accepted in the United States of America require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading or incomplete. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing body.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that as of and for the year ended June 30, 2011, Unified School District No. 316, Rexford, Kansas, did not have any component units, which would be required to be reported.

Fund Accounting

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

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

Governmental Type Funds:

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

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

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

Fiduciary Type Funds:

Agency Funds--To account for assets held by the District in a purely custodial capacity for individuals, private organizations, other governmental units, and/or other funds.

Private Purpose Trust Funds--To report trust agreements where both the principal and interest is used to benefit individuals, private organizations, or other governmental units.

Reimbursements

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded as expenditures during the year of purchase.

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, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District 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 and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, building, and equipment owned by the municipality are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

2. Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were budget amendments for the year ended June 30, 2011, for the General Fund, Bilingual Education Fund, and KPERS Special Retirement Contribution Fund.

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

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

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

Textbooks and Student Material Revolving Fund	Federal Funds
Contingency Reserve Fund	Gifts and Grants 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.

3. Property Taxes

Property taxes are levied November 1st of the calendar year. A lien is placed on the property when the taxes are levied. The taxes are due 1/2 on December 20th and 1/2 the following May 10th. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year: such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operation of the District and, therefore, are not susceptible to accrual.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period, and further, the amounts thereof are not material to the financial statements taken as a whole.

4. Deposits and Investments

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

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

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by the federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated any "peak periods" with any eligible depositories. All deposits were legally secured at June 30, 2011.

At June 30, 2011, the District's carrying amount of deposits was \$992,822 and the bank balance was \$1,169,586. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and the balance of \$919,586 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

5. Operating Lease

Unified School District No. 316, Rexford, Kansas, entered into an operating lease agreement with Midwest Bus Sales, Inc. on May 15, 2007, to lease passenger school buses. The lease agreement calls for semi-annual rent payments of \$24,300 for five years. Lease payments totaling \$48,600 were made for the year ended June 30, 2011. Future minimum operating lease commitments are as follows:

June 30, 2012	\$ 24,300
---------------	-----------

On April 4, 2011, the District entered into an operating lease agreement with Dealers First Financial, LLC, to lease a Sharp Copier. The lease agreement calls for monthly lease payments of \$334 for sixty months. Lease payments totaling \$1,002 were made for the year ended June 30, 2011. In addition, lease payments totaling \$3,006 were made for year ended June 20, 2012, on April 14, 2011. Future minimum operating lease commitments are as follows:

<u>Year Ended June 30,</u>	
2012	\$ 1,002
2013	4,008
2014	4,008
2015	4,008
2016	3,006
Total	\$ <u>16,032</u>

An operating lease agreement for a digital photocopy machine was entered into on September 18, 2008, with Northwestern Office Suppliers. The lease agreement calls for monthly lease payments of \$334 for sixty months. Lease payments totaling \$3,006 were made for the year ended June 30, 2011. On April 4, 2011, this lease agreement was terminated by both parties and the District entered into a lease agreement with Dealers First Financial, LLC for a Sharp Copier.

6. Compensated Absences**Sick Leave**

Sick leave shall be granted to contractual classified employees in proportion to their employment contract as it relates to hours, days, or months on duty at the rate of one day per month cumulative to sixty (60) days. There is no payment for unused sick leave when an employee ceases employment with the district.

Each teacher shall be granted ten (10) days of sick leave per year cumulative to sixty (60) days. Each teacher with fifty five (55) or more accumulated days may opt to trade in five (5) sick leave days that would be donated to the sick leave pool for one (1) additional personal leave day. Sick leave is not payable upon termination and, therefore, has not been estimated or accrued by the District as of June 30, 2011.

Vacation Pay

Full-time, twelve-month, classified employees shall accrue vacation time at a rate of one day per month. Employees with more than fifteen (15) years of continuous full-time service will accrue vacation time at the rate of 1.25 days per month. Maximum accumulation of vacation leave is twenty (20) days. Vacation time must be used within two years of accrual. Vacation pay is payable upon termination and has not been estimated or accrued by the District as of June 30, 2011.

7. Defined Benefit Pension Plan

Plan description. The Unified School District No. 316, Rexford, Kansas, contributes to the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 S Kansas, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at 4% of covered salary for active members hired before July 1, 2009. For active members employed on or after July 1, 2009, K.S.A. 74-49,210 establishes the KPERs member-employee contribution rate at 6% of covered salaries. Member-employees' contributions are withheld by their employer and paid to KPERs according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas currently contributes 9.17% of covered payroll, which includes 1% for Group Death and Disability Insurance. There was a moratorium on the 1% collection for Group Death and Disability Insurance from April 1, 2011 thru 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, 2010 and 2009 were \$248,468,186 and \$242,277,363, respectively. For the year ending June 30, 2011, the required contribution was \$253,834,044. As of June 30, 2011, the State of Kansas contributed \$188,864,352. The remaining \$64,969,692 was contributed by July 12, 2011. The amounts attributable to the District for the years ending June 30, 2011, 2010 and 2009 were \$77,234, \$81,055, and \$89,454, respectively.

8. Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. The District pays \$350 per month, or the amount specified in the professional negotiations agreement for each retiree, and each retiree is responsible for the balance. During the year ended June 30, 2011, one retiree participated in this plan, and the District paid \$4,200 in premiums for this retiree. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in these financial statements.

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

9. Termination Benefits

The District provides an early retirement program for certified eligible employees with at least fifteen years of continuous employment with the District. To be eligible the employee must be at least age 60, younger than full social security retirement age, and have a combined total age, including credit for years of service in KPERs, equal to or greater than 85. Those eligible under this program may receive benefits until reaching full social security retirement age. As of June 30, 2011, the District paid \$4,016 to one retired employee receiving benefits under this program.

10. Operating Transfers

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas Statutes. The District's operating transfers and statutory authorities for June 30, 2011, were as follows:

From	To	Statute	Amount
General Fund	At Risk Fund (4 Year Old)	K.S.A. 72-6428	\$ 555
General Fund	At Risk Fund (K-12)	K.S.A. 72-6428	229,985
General Fund	Bilingual Education Fund	K.S.A. 72-6428	17,917
General Fund	Capital Outlay Fund	K.S.A. 72-6428	230,582
General Fund	Professional Development Fund	K.S.A. 72-6428	4,905
General Fund	Special Education Fund	K.S.A. 72-6428	393,907
General Fund	Vocational Education Fund	K.S.A. 72-6428	4,440
General Fund	Contingency Reserve Fund	K.S.A. 72-6428	13,960
Supplemental General Fund	At Risk Fund (K-12)Fund	K.S.A. 72-6433	76,316
Supplemental General Fund	Food Service Fund	K.S.A. 72-6433	32,228

11. Statutory Compliance**Cash Violation**

K.S.A. 10-1113 requires each fund to comply with the cash-basis laws of Kansas. That is, no commitments or indebtedness should be incurred unless there is available cash in the fund. The General Fund incurred indebtedness in excess of the available cash balance. The General Fund expenditures exceeded the fund balance due to the final June state aid payment for the 2011 fiscal year being received after June 30, 2011. The June state aid for the General Fund of \$172,161 was received on July 7, 2011. K.S.A. 10-1116(a) exempts expenditures by school districts that are in excess of current revenues if the deficit in revenues is caused by late distribution of general state aid.

K.S.A. 10-1113 requires each fund to comply with the cash-basis laws of the State of Kansas. That is, no commitments or indebtedness should be incurred unless there is available cash in the fund. Federal Funds incurred indebtedness in excess of the available cash balance by \$7,197. This appears to be a violation of this statute. However, K.S.A. 12-1664 allows a deficit unencumbered cash balance for federal aid funds, so the deficit cash balance in this fund is not a statutory violation. This deficit was eliminated on August 24, 2011, when the federal aid was received.

12. 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 has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Association of School Boards (KASB) Workers Compensation Fund, Inc., a public entity risk pool currently operating as a common risk management and insurance program for 86 participating members.

The District pays an annual premium to KASB Workers Compensation Fund, Inc., for its worker's compensation insurance coverage. The agreement to participate provides that the group will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the management of KASB Workers Compensation Fund, Inc.

The District continues to carry commercial insurance for all other risks of loss, including property, liability, inland marine and automobile. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

13. Prior Period Adjustment

During the current year, it was determined that certain prior year expenditures totaling \$2,000 were incorrectly recorded in the Federal Fund. Those expenditures should have been recorded in the General Fund. As a result of the correction, the District decided to reduce the prior year transfer from General Fund to Contingency Reserve Fund by \$2,000 so that General Fund Ending Cash for June 30, 2010 would not be affected by the correction. The corrected beginning cash balances as of July 1, 2010, for the funds effected are as follows:

	General Fund	Federal Fund	Contingency Reserve Fund
Ending Cash, June 30, 2010, as previously reported	\$ (196,705)	\$ 9,217	\$ 186,354
Correction of error	(2,000)	2,000	0
Reduction in transfer	2,000	0	(2,000)
Beginning Cash, July 1, 2010, as restated	<u>\$ (196,705)</u>	<u>\$ 11,217</u>	<u>\$ 184,354</u>

14. KPERS Special Retirement Contribution Fund

The KPERS Special Retirement Contribution Fund, as shown below, reflects all state aid for the fiscal year ended June 30, 2011, as confirmed by the Kansas State Department of Education. This presentation excludes the January and April 2010 state aid payments of \$22,265 and \$18,638 received on July 7 and July 8, 2010, respectively.

UNIFIED SCHOOL DISTRICT NO. 316
REVENUES AND EXPENDITURES - FISCAL YEAR AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

	Fiscal Year Transactions	Budget	Variance Over (Under)
Revenues:			
State of Kansas	\$ <u>77,234</u>	<u>103,000</u>	<u>(25,766)</u>
Expenditures:			
Instruction	54,039	69,000	(14,961)
Instructional Support	1,485	6,000	(4,515)
General Administration	5,862	7,000	(1,138)
School Administration	5,296	7,000	(1,704)
Operation and Maintenance	3,984	7,000	(3,016)
Student Transportation Services	3,239	4,000	(761)
Food Service	<u>3,329</u>	<u>3,000</u>	<u>329</u>
Total Expenditures	<u>77,234</u>	<u>103,000</u>	<u>(25,766)</u>
Revenues Over (Under) Expenditures	0		
Modified Unencumbered Cash, July 1, 2010	<u>0</u>		
Modified Unencumbered Cash, June 30, 2011	\$ <u>0</u>		

15. 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 and supplemental 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 June 30. The following shows the revenue as required by these Statutes.

UNIFIED SCHOOL DISTRICT NO. 316
 STATUTORY REVENUES AND EXPENDITURES – STATUTORY AND BUDGET
 FOR THE YEAR ENDED JUNE 30, 2011

GENERAL FUND

	Statutory Transactions	Budget	Over (Under)
Statutory Revenues:			
Ad Valorem Property Tax			
Tax in Process	\$ 4,000	4,524	(524)
Current Tax	162,612	157,001	5,611
Delinquent Tax	742	1,177	(435)
Mineral Production Tax	2,015	1,000	1,015
State General Aid	1,481,181	1,544,358	(63,177)
State Special Education Aid	255,684	260,033	(4,349)
Federal ARRA Stabilization Aid	35,332	35,332	0
Federal Education Jobs Aid	61,865	0	61,865
Reimbursements	3,391	0	3,391
 Total Statutory Revenues	 2,006,822	 2,003,425	 3,397
 Expenditures:			
Instruction	685,057	837,476	(152,419)
Student Support Services	23,153	28,750	(5,597)
Instructional Support Staff	7,413	74,397	(66,984)
General Administration	54,254	96,500	(42,246)
School Administration	100,778	111,390	(10,612)
Operations and Maintenance	98,344	152,490	(54,146)
Operations and Maintenance - Transportation	0	700	(700)
Student Transportation Services	2,219	4,310	(2,091)
Vehicle Operating Services	65,233	94,760	(29,527)
Vehicle Services and Maintenance Services	1,336	8,600	(7,264)
Other Student Transportation Services	232	1,800	(1,568)
Other Supplemental Services	72,267	76,270	(4,003)
Transfer to At Risk Fund (4 Year Old)	555	15,000	(14,445)
Transfer to At Risk Fund (K-12)	229,985	200,000	29,985
Transfer to Bilingual Education Fund	17,917	22,000	(4,083)
Transfer to Capital Outlay Fund	230,582	0	230,582
Transfer to Professional Development Fund	4,905	0	4,905
Transfer to Special Education Fund	393,907	260,033	133,874
Transfer to Vocational Education Fund	4,440	23,000	(18,560)
Transfer to Contingency Reserve Fund	13,960	0	13,960
Adjustment to Comply with Legal Max	0	(4,330)	4,330
 Legal General Fund Budget	 2,006,537	 2,003,146	 3,391
Adjustments for Qualifying Budget Credits			
Reimbursements	0	3,391	(3,391)
 Total Expenditures	 2,006,537	 2,006,537	 0
 Statutory Revenues Over (Under) Expenditures	 285		
Modified Unencumbered Cash, July 1, 2010	0		
 Modified Unencumbered Cash, June 30, 2011	 \$ 285		

UNIFIED SCHOOL DISTRICT NO. 316
 STATUTORY REVENUES AND EXPENDITURES – STATUTORY AND BUDGET
 FOR THE YEAR ENDED JUNE 30, 2011

SUPPLEMENTAL GENERAL FUND

	Statutory		Variance
	Transactions	Budget	Over (Under)
Statutory Revenues:			
Ad Valorem Property Tax			
Tax in Process	\$ 4,451	5,460	(1,009)
Current Tax	201,545	161,448	40,097
Delinquent Tax	685	1,120	(435)
Motor Vehicle Tax	13,587	14,488	(901)
Recreational Vehicle Tax	266	297	(31)
Other Revenue From Local Source	1,066	0	1,066
Supplemental State Aid	<u>238,017</u>	<u>238,795</u>	<u>(778)</u>
 Total Statutory Revenues	 <u>459,617</u>	 <u>421,608</u>	 <u>38,009</u>
Expenditures:			
Instruction	55,299	138,800	(83,501)
Student Support Services	570	0	570
Instructional Support Staff	2,309	10,800	(8,491)
General Administration	111,652	43,800	67,852
School Administration	11,493	8,200	3,293
Operations and Maintenance	71,417	33,950	37,467
Operations and Maintenance - Transportation	0	12,290	(12,290)
Student Transportation Services - Supervision	74,203	65,000	9,203
Vehicle Services and Maintenance Services	10,478	3,060	7,418
Other Student Transportation Services	931	0	931
Other Supplemental Services	3,104	3,100	4
Transfer to At Risk Fund (K-12)	76,316	0	76,316
Transfer to Driver Training Fund	0	6,000	(6,000)
Transfer to Food Service Fund	32,228	0	32,228
Transfer to Special Education Fund	<u>0</u>	<u>125,000</u>	<u>(125,000)</u>
 Total Expenditures	 <u>450,000</u>	 <u>450,000</u>	 <u>0</u>
 Statutory Revenues Over (Under) Expenditures	 9,617		
Modified Unencumbered Cash, July 1, 2010	<u>25,789</u>		
 Modified Unencumbered Cash, June 30, 2011	 \$ <u>35,406</u>		

16. General Long-Term Debt

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
General Obligation Bonds	1.35 to 3.80%	08/07/03	\$ 365,000	10/01/10	\$ 50,000	0	50,000	0	950
Capital Leases Payable:									
Ricoh Copier	4.99%	11/29/06	10,825	01/02/11	2,278	0	2,278	0	114
Building Addition	6.00%	11/18/03	145,000	06/15/13	47,242	0	14,549	32,693	2,764
Playground Equipment	6.00%	07/18/06	25,000	06/30/11	5,588	0	5,588	0	335
Total Capital Leases Payable					55,108	0	22,415	32,693	3,213
Total Long-Term Debt					\$ 105,108	0	72,415	32,693	4,163

Current maturities of long-term debt and interest for the next five years are as follows:

	<u>2012</u>	<u>2013</u>	<u>Total</u>
PRINCIPAL			
Capital Leases Payable	15,408	17,285	32,693
INTEREST			
Capital Leases Payable	<u>1,905</u>	<u>28</u>	<u>1,933</u>
Total Principal and Interest	<u>\$ 17,313</u>	<u>17,313</u>	<u>34,626</u>