

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT  
NO. 401 CHASE, KANSAS**

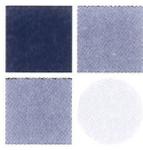
Financial Statements With Independent Auditors' Report

For the Year Ended June 30, 2011

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**  
 Financial Statements With Independent Auditors' Report  
 For the Year Ended June 30, 2011

**TABLE OF CONTENTS**

Independent Auditors' Report .....	1
Statement 1 - Summary of Cash Receipts, Expenditures and Unencumbered Cash .....	2
Statement 2 - Summary of Expenditures - Actual and Budget .....	3
Statement 3 - Statement of Cash Receipts and Expenditures - Actual and Budget Individually Presented by Fund	
<b>Governmental Fund Categories</b>	
<b>General Funds</b>	
3-1 General Fund .....	4
3-2 Supplemental General Fund .....	5
<b>Special Revenue Funds</b>	
3-3 Capital Outlay Fund .....	6
3-4 Special Education Fund .....	7
3-5 Food Service Fund .....	8
3-6 Driver Training Fund .....	9
3-7 Professional Development Fund .....	10
3-8 Vocational Education Fund .....	11
3-9 Textbook Rental Fund .....	12
3-10 Title IID Technology Education Fund .....	13
3-11 Title I Grant Fund .....	14
3-12 Title V Part A Innovative Grant Fund .....	15
3-13 ESOL Fund .....	16
3-14 Title IV Drug Free Fund .....	17
3-15 Title IIA Teacher Quality Fund .....	18
3-16 At Risk Fund (K-12) .....	19
3-17 4 Year Old At Risk Fund .....	20
3-18 KPERS Retirement Contributions Fund .....	21
3-19 Contingency Reserve Fund.....	22
<b>Debt Service Fund</b>	
3-20 Bond and Interest Fund .....	23
Statement 4 - Summary of Cash Receipts and Cash Disbursements – Agency Funds .....	24
Statement 5 – Statement of Cash Receipts, Expenditures and Unencumbered Cash District Activity Funds.....	25
Notes to Financial Statements .....	26



Certified  
Public  
Accountants

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
**Chase-Raymond Unified School District No. 401 Chase, Kansas**  
Chase, Kansas

We have audited the accompanying financial statements of **Chase-Raymond Unified School District No. 401 Chase, 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 **Chase-Raymond Unified School District No. 401 Chase, Kansas'** management. Our responsibility is to express opinions 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 *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 opinions.

As described more fully in Note 1, **Chase-Raymond Unified School District No. 401 Chase, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, whose 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 **Chase-Raymond Unified School District No. 401 Chase, Kansas**, as of June 30, 2011, or the changes in its financial position for the year then ended. Further, **Chase-Raymond Unified School District No. 401 Chase, Kansas** has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **Chase-Raymond Unified School District No. 401 Chase, Kansas**, as of June 30, 2011, and their respective cash receipts and disbursements and budgetary results for the year then ended on the basis of accounting described in Note 1.

*Adams, Brown, Beran & Ball, Chtd.*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants

October 10, 2011

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
 Summary of Cash Receipts, Expenditures and Unencumbered Cash  
 For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Fund Categories</b>							
<b>General Funds</b>							
General Fund	\$ (141,690)	-	1,576,946	1,516,220	(80,964)	31,830	(49,134)
Supplemental General Fund	8,844	-	529,103	496,100	41,847	85,924	127,771
<b>Special Revenue Funds</b>							
Capital Outlay Fund	262,616	-	249,457	56,929	455,144	-	455,144
Special Education Fund	186,752	-	194,237	191,321	189,668	-	189,668
Food Service Fund	35,007	-	95,163	97,696	32,474	50	32,524
Driver Training Fund	14,192	-	5,592	4,952	14,832	467	15,299
Professional Development Fund	18,867	-	10,465	355	28,977	-	28,977
Vocational Education Fund	76,282	-	114,962	51,263	139,981	-	139,981
Textbook Rental Fund	453	-	-	453	-	-	-
Title IID Technology Education Fund	-	998	153	1,151	-	153	153
Title I Grant Fund	-	28	45,067	45,095	-	-	-
Title V Part A Innovative Grant Fund	-	1,554	-	1,554	-	-	-
ESOL Fund	-	-	5,739	4,000	1,739	-	1,739
Title IV Drug Free Fund	-	-	-	-	-	564	564
Title IIA Teacher Quality Fund	-	-	12,809	12,809	-	-	-
At Risk Fund (K-12)	-	-	200,021	200,021	-	-	-
4 Year Old At Risk Fund	55	-	40,000	40,055	-	-	-
KPERS Retirement Contributions Fund	-	-	64,524	64,524	-	-	-
Contingency Reserve Fund	149,277	-	-	-	149,277	-	149,277
District Activity Funds	6,874	-	31,836	29,891	8,819	-	8,819
<b>Debt Service Fund</b>							
Bond and Interest Fund	98,994	-	6,010	105,004	-	-	-
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<b>\$ 716,523</b>	<b>2,580</b>	<b>3,182,084</b>	<b>2,919,393</b>	<b>981,794</b>	<b>118,988</b>	<b>1,100,782</b>
<b>Composition of Cash</b>							
							\$ 965,265
							160,000
							1,125,265
							(24,483)
<b>Total Reporting Entity (Excluding Agency Funds)</b>							<b>\$ 1,100,782</b>

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
 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)
<b>Governmental Funds Categories</b>						
<b>General Funds</b>						
General Fund	\$ 1,540,207	(58,320)	34,333	1,516,220	1,516,220	-
Supplemental General Fund	489,686	-	22,457	512,143	496,100	(16,043)
<b>Special Revenue Funds</b>						
Capital Outlay Fund	381,842	-	-	381,842	56,929	(324,913)
Special Education Fund	377,422	-	-	377,422	191,321	(186,101)
Food Service Fund	124,857	-	-	124,857	97,696	(27,161)
Driver Training Fund	15,048	-	-	15,048	4,952	(10,096)
Professional Development Fund	19,129	-	-	19,129	355	(18,774)
Vocational Education Fund	152,699	-	-	152,699	51,263	(101,436)
ESOL Fund	4,000	-	-	4,000	4,000	-
At Risk Fund (K-12)	200,021	-	-	200,021	200,021	-
4 Year Old At Risk Fund	40,000	-	-	40,000	40,055	55
KPERS Retirement Contributions Fund	81,048	-	-	81,048	64,524	(16,524)

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

## CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS

## General Fund

## Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2011

(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues	\$ 317,954	350,639	348,935	1,704
Intergovernmental Revenues				
Mineral Severance Tax	4,224	12,615	-	12,615
State Equalization Aid	827,652	959,410	959,441	(31)
State Special Education	140,190	146,990	146,990	-
Federal Aid - ARRA	70,225	26,521	26,521	-
Federal Aid - Ed Jobs	-	46,438	-	46,438
Reimbursed Expenses	1,466	34,333	-	34,333
<b>Total Cash Receipts</b>	<u>1,361,711</u>	<u>1,576,946</u>	<u>1,481,887</u>	<u>95,059</u>
<b>Expenditures</b>				
Instruction	557,816	578,116	587,864	(9,748)
Student Support Services	28,358	46,186	65,700	(19,514)
Instructional Support Services	32,335	35,030	63,800	(28,770)
General Administration	48,750	49,345	58,043	(8,698)
School Administration	128,252	127,031	60,000	67,031
Central Services	42,466	44,004	43,500	504
Operations and Maintenance	85,933	92,575	89,000	3,575
Student Transportation Services	46,316	56,415	53,300	3,115
Operating Transfers Out	493,210	487,518	519,000	(31,482)
Adjustment to Comply With Legal Max	-	-	(58,320)	58,320
(a) Adjustment for Qualifying Budget Credits	-	-	34,333	(34,333)
<b>Total Expenditures</b>	<u>1,463,436</u>	<u>1,516,220</u>	<u>1,516,220</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(101,725)	60,726		
<b>Unencumbered Cash - Beginning</b>	<u>(39,965)</u>	<u>(141,690)</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>(141,690)</u>	<u>(80,964)</u>		
<b>(a) Adjustment for Qualifying Budget Credits</b>				
Reimbursed Expense Over Amount Budgeted			\$ <u>34,333</u>	

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Supplemental General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues	\$ 440,519	506,646	479,568	27,078
Federal Aid	500	-	-	-
Other Income	11,747	-	-	-
Reimbursed Expenses	18,766	22,457	-	22,457
<b>Total Cash Receipts</b>	<u>471,532</u>	<u>529,103</u>	<u>479,568</u>	<u>49,535</u>
<b>Expenditures</b>				
Instruction	107,957	123,908	233,786	(109,878)
Student Support Services	17,612	17,328	42,000	(24,672)
Instructional Support Services	9,875	2,990	-	2,990
General Administration	32,650	28,366	48,000	(19,634)
School Administration	15,492	14,619	23,700	(9,081)
Purchased Services	17,783	35,241	3,200	32,041
Operations and Maintenance	98,711	116,831	89,000	27,831
Student Activities	36,490	28,419	-	28,419
Operating Transfers Out	152,300	128,398	50,000	78,398
(a) Adjustment for Qualifying Budget Credit	-	-	22,457	(22,457)
<b>Total Expenditures</b>	<u>488,870</u>	<u>496,100</u>	<u>512,143</u>	<u>(16,043)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(17,338)	33,003		
<b>Unencumbered Cash - Beginning</b>	25,462	8,844		
<b>Prior Year Cancelled Encumbrances</b>	<u>720</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>8,844</u>	<u>41,847</u>		
<b>(a) Adjustment for Qualifying Budget Credit</b>				
Reimbursed Expense Over Amount Budgeted			\$ <u>22,457</u>	

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Capital Outlay Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues	\$ 148,870	<b>114,674</b>	119,381	(4,707)
Other Income	1,200	<b>100</b>	-	100
Interest Income	7,390	<b>5,384</b>	-	5,384
Operating Transfers In	-	<b>129,299</b>	-	129,299
<b>Total Cash Receipts</b>	<u>157,460</u>	<u><b>249,457</b></u>	<u>119,381</u>	<u>130,076</u>
<b>Expenditures</b>				
Instruction	3,449	<b>9,955</b>	50,000	(40,045)
Instructional Support Services	2,321	-	280,000	(280,000)
School Administration	6,898	-	-	-
Operations and Maintenance	43,804	<b>23,540</b>	-	23,540
Student Transportation Services	85,997	<b>15,037</b>	-	15,037
Other Equipment	1,220	<b>3,950</b>	-	3,950
Facility Acquisition and Construction	3,461	<b>4,447</b>	51,842	(47,395)
<b>Total Expenditures</b>	<u>147,150</u>	<u><b>56,929</b></u>	<u>381,842</u>	<u>(324,913)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	10,310	<b>192,528</b>		
<b>Unencumbered Cash - Beginning</b>	<u>252,306</u>	<u><b>262,616</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u><u>262,616</u></u>	\$ <u><u><b>455,144</b></u></u>		

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Special Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Operating Transfers In	\$ 237,439	<b>194,237</b>	225,000	<b>(30,763)</b>
<b>Expenditures</b>				
Instruction	191,273	<b>188,804</b>	377,422	(188,618)
Student Transportation Services	2,965	<b>2,517</b>	-	2,517
<b>Total Expenditures</b>	194,238	<b>191,321</b>	<b>377,422</b>	<b>(186,101)</b>
<b>Cash Receipts Over (Under) Expenditures</b>	43,201	<b>2,916</b>		
<b>Unencumbered Cash - Beginning</b>	143,551	<b>186,752</b>		
<b>Unencumbered Cash - Ending</b>	\$ 186,752	<b>189,668</b>		

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Food Service Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 796	806	645	161
Federal Aid	57,489	61,822	54,620	7,202
Lunch Receipts				
Students	10,375	8,738	9,683	(945)
Adults	2,684	2,147	6,945	(4,798)
Operating Transfers In	20,000	21,650	20,000	1,650
<b>Total Cash Receipts</b>	91,344	95,163	91,893	3,270
<b>Expenditures</b>				
Food Service Operations	97,440	97,696	124,857	(27,161)
<b>Cash Receipts Over (Under) Expenditures</b>	(6,096)	(2,533)		
<b>Unencumbered Cash - Beginning</b>	41,103	35,007		
<b>Unencumbered Cash - Ending</b>	\$ 35,007	32,474		

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Driver Training Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenue				
State Aid	\$ -	592	700	(108)
Operating Transfers In	-	5,000	-	5,000
<b>Total Cash Receipts</b>	-	<b>5,592</b>	<b>700</b>	<b>4,892</b>
<b>Expenditures</b>				
Instruction	228	4,439	15,048	(10,609)
Operations and Maintenance	-	513	-	513
<b>Total Expenditures</b>	228	<b>4,952</b>	<b>15,048</b>	<b>(10,096)</b>
<b>Cash Receipts Over (Under) Expenditures</b>	(228)	<b>640</b>		
<b>Unencumbered Cash - Beginning</b>	14,420	<b>14,192</b>		
<b>Unencumbered Cash - Ending</b>	\$ 14,192	<b>14,832</b>		

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Professional Development Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Reimbursed Expenses	\$ 15	-	-	-
Operating Transfers In	18,441	10,465	-	10,465
<b>Total Cash Receipts</b>	18,456	10,465	-	10,465
<b>Expenditures</b>				
Instructional Support Services	421	355	19,129	(18,774)
<b>Cash Receipts Over (Under) Expenditures</b>	18,035	10,110		
<b>Unencumbered Cash - Beginning</b>	832	18,867		
<b>Unencumbered Cash - Ending</b>	\$ 18,867	28,977		

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Vocational Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Operating Transfers In	\$ 136,158	<b>114,962</b>	80,000	34,962
<b>Expenditures</b>				
Instruction	70,123	<b>51,263</b>	152,699	(101,436)
<b>Cash Receipts Over (Under) Expenditures</b>	66,035	<b>63,699</b>		
<b>Unencumbered Cash - Beginning</b>	10,247	<b>76,282</b>		
<b>Unencumbered Cash - Ending</b>	\$ 76,282	<b>139,981</b>		

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
Textbook Rental Fund  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

---

	Prior Year Actual	Current Year Actual
	<u>          </u>	<u>          </u>
Cash Receipts	\$ -	-
Expenditures		
Operating Transfers Out	<u>-</u>	<u>453</u>
Cash Receipts Over (Under) Expenditures	-	(453)
Unencumbered Cash - Beginning	<u>453</u>	<u>453</u>
Unencumbered Cash - Ending	\$ <u>453</u>	<u>-</u>

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
 Title IID Technology Education Fund  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 1,404	153
<b>Expenditures</b>		
Instruction	1,404	1,151
<b>Cash Receipts Over (Under) Expenditures</b>	-	(998)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Prior Year Cancelled Encumbrance</b>	-	998
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
**Title I Grant Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 75,538	45,067
<b>Expenditures</b>		
Instruction	75,538	45,095
<b>Cash Receipts Over (Under) Expenditures</b>	-	(28)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Prior Year Cancelled Encumbrance</b>	-	28
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
 Title V Part A Innovative Grant Fund  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 5,460	-
<b>Expenditures</b>		
Instruction	5,460	1,554
<b>Cash Receipts Over (Under) Expenditures</b>	-	(1,554)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Prior Year Cancelled Encumbrance</b>	-	1,554
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**ESOL Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Operating Transfers In	\$ 4,000	5,739	4,000	1,739
<b>Expenditures</b>				
Instruction	4,000	4,000	4,000	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	1,739		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	1,739		

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
 Title IV Drug Free Fund  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 740	-
<b>Expenditures</b>		
Student Support Services	740	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
**Title IIA Teacher Quality Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenue		
Federal Aid	\$ 12,630	12,809
<b>Expenditures</b>		
Instruction	12,630	12,809
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**At Risk Fund (K-12)**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Cash Receipts</b>				
Operating Transfers In	\$ 190,000	<b>200,021</b>	<u>200,000</u>	<u>21</u>
<b>Expenditures</b>				
Instruction	<u>190,036</u>	<u>200,021</u>	<u>200,021</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(36)	-		
<b>Unencumbered Cash - Beginning</b>	<u>36</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>		

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
**4 Year Old At Risk Fund**  
 Statement of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Operating Transfers In	\$ 39,472	40,000	40,000	-
<b>Expenditures</b>				
Instruction	39,417	40,055	40,000	55
<b>Cash Receipts Over (Under) Expenditures</b>	55	(55)		
<b>Unencumbered Cash - Beginning</b>	-	55		
<b>Unencumbered Cash - Ending</b>	\$ 55	-		

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**KPERS Retirement Contributions Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenue				
State Aid	\$ 73,016	<u>64,524</u>	<u>81,048</u>	<u>(16,524)</u>
<b>Expenditures</b>				
Instruction	36,509	<u>32,262</u>	41,810	(9,548)
Student Support Services	4,381	<u>3,871</u>	4,863	(992)
Instructional Support Services	4,381	<u>3,871</u>	4,863	(992)
General Administration	5,841	<u>5,162</u>	5,841	(679)
School Administration	8,032	<u>7,098</u>	8,915	(1,817)
Operations and Maintenance	5,841	<u>5,162</u>	5,841	(679)
Student Transportation Services	2,190	<u>1,936</u>	2,431	(495)
Food Service	5,841	<u>5,162</u>	<u>6,484</u>	<u>(1,322)</u>
<b>Total Expenditures</b>	<u>73,016</u>	<u>64,524</u>	<u>81,048</u>	<u>(16,524)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Contingency Reserve Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts	\$ -	-
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	<u>149,277</u>	<u>149,277</u>
Unencumbered Cash - Ending	<u>\$ 149,277</u>	<u>149,277</u>

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**Bond and Interest Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues	\$ 6,899	<b>6,010</b>	10,101	<b>(4,091)</b>
<b>Expenditures</b>				
Bond Principal	105,000	-	-	-
Commission and Postage	3	-	-	-
Interest Payment	2,205	-	-	-
Operating Transfers Out	-	<b>105,004</b>	-	105,004
<b>Total Expenditures</b>	107,208	<b>105,004</b>	-	<b>105,004</b>
<b>Cash Receipts Over (Under) Expenditures</b>	(100,309)	<b>(98,994)</b>		
<b>Unencumbered Cash - Beginning</b>	199,303	<b>98,994</b>		
<b>Unencumbered Cash - Ending</b>	\$ 98,994	-		

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

## CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS

## Agency Funds

## Summary of Cash Receipts and Cash Disbursements

For the Year Ended June 30, 2011

Funds	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
<b>Student Organization Funds</b>				
<b>Chase High School</b>				
C - Club	\$ 667	4,382	3,873	1,176
Cheerleaders	1,040	614	485	1,169
RJH Cheerleading	-	104	-	104
FCCLA	720	166	87	799
Music Club	26	-	26	-
Dance Team	136	-	136	-
National Honor Society	605	2,633	2,666	572
Science Club	17	-	17	-
Weight Lifting Club	1,701	-	-	1,701
Student Council	991	1,967	1,717	1,241
Thespians Fund	7	-	-	7
Class of 2009	76	-	76	-
Class of 2010	34	-	34	-
Class of 2011	425	10	323	112
Class of 2012	2,117	3,513	3,917	1,713
Class of 2013	575	1,101	-	1,676
Class of 2014	-	1,021	-	1,021
Class of 2015	558	1,144	668	1,034
Class of 2016	1,020	1,072	1,506	586
<b>Total Chase High School</b>	<b>10,715</b>	<b>17,727</b>	<b>15,531</b>	<b>12,911</b>
<b>Raymond Junior High School</b>				
Cheerleaders	222	125	99	248
Music	-	310	310	-
6th Grade Class	395	802	499	698
<b>Total Raymond Junior High School</b>	<b>617</b>	<b>1,237</b>	<b>908</b>	<b>946</b>
<b>Payroll Clearing Fund</b>	<b>-</b>	<b>200,012</b>	<b>189,386</b>	<b>10,626</b>
<b>Total Agency Funds</b>	<b>\$ 11,332</b>	<b>218,976</b>	<b>205,825</b>	<b>24,483</b>

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS**  
**District Activity Funds**  
Statement of Cash Receipts, Expenditures and Unencumbered Cash  
For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Chase High School</b>							
Activity	\$ 745	-	89	-	834	-	834
Athletics	797	-	15,207	14,106	1,898	-	1,898
Faculty	1,317	-	665	-	1,982	-	1,982
Miscellaneous	-	-	800	800	-	-	-
K&R Concessions	-	-	9,036	9,036	-	-	-
KNEA Concessions	6	-	661	541	126	-	126
Daulton Doll Memorial	700	-	-	-	700	-	700
<b>Total Chase High School</b>	<u>3,565</u>	<u>-</u>	<u>26,458</u>	<u>24,483</u>	<u>5,540</u>	<u>-</u>	<u>5,540</u>
<b>Raymond Jr. High School</b>							
Miscellaneous	-	-	2,375	2,375	-	-	-
Pictures	-	-	205	205	-	-	-
Pop Machine	885	-	462	390	957	-	957
Library	428	-	500	581	347	-	347
Bulldog/Kat T-shirts	241	-	650	700	191	-	191
Pencil Machine	251	-	131	158	224	-	224
General Mills Box Tops	386	-	253	268	371	-	371
Help G. S. Student Account	154	-	512	530	136	-	136
Dare	250	-	-	-	250	-	250
Interest	481	-	20	-	501	-	501
Nurses' Help Fund	233	-	270	201	302	-	302
<b>Total Raymond Jr. High School</b>	<u>3,309</u>	<u>-</u>	<u>5,378</u>	<u>5,408</u>	<u>3,279</u>	<u>-</u>	<u>3,279</u>
<b>Total District Activity Funds</b>	<u>\$ 6,874</u>	<u>-</u>	<u>31,836</u>	<u>29,891</u>	<u>8,819</u>	<u>-</u>	<u>8,819</u>

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Chase-Raymond Unified School District No. 401 Chase, Kansas** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

**Reporting Entity**

**Chase-Raymond Unified School District No. 401 Chase, Kansas** is a municipal corporation governed by an elected board. The financial statements of the District consist of all the funds of the District that are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. The District has no component units.

**Use of Estimates**

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

**Basis of Presentation – Fund Accounting**

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of **Chase-Raymond Unified School District No. 401 Chase, Kansas** for the year ended June 30, 2011.

**Governmental Fund Categories**

**General Funds** – to account for all financial resources except those required to be reported in another fund.

**Special Revenue Funds** – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

**District Activity Funds** – a special revenue fund that accounts for the receipts and disbursements of monies from District activities. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. The students participate in the activities, but the board of education has control of the expenditures. This accounting reflects the District's agency relationship with the student activity organizations.

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

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS

Notes to Financial Statements

June 30, 2011

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fiduciary Fund Categories**

**Agency Funds** – to account for assets held by the District as trustee or agent for others.

**Student Activity Funds** – an agency fund that accounts for the receipts and disbursements of monies from student activity organizations in which the students participate and are involved in the management of the organization's activities. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. The student organization approves the expenditure, not the Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

**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 expenses, 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, buildings, and equipment owned by the District 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.

**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.

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. 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 10 days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such amendments this year.

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

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

A legal operating budget is not required for capital project funds fiduciary funds, permanent funds, and the following special revenue funds: Textbook Rental Fund, Title IID Technology Education Fund, Title I Grant Fund, Title V Part A Innovative Grant Fund, Title IV Drug Free Fund, Title IIA Teacher Quality Fund, Contingency Reserve Fund, and 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.

**Deposits and Investments**

The District follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary of cash receipts, expenditures, and unencumbered cash.

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.

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

K.S.A. 12-1675 limits the District's investments 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 K.S.A. 9-1405.

**Custodial Credit Risk – Deposits**

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

At June 30, 2011, the District's carrying amount of deposits was \$1,125,265 and the bank balance was \$1,299,795. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$377,771 was covered by federal depository insurance and \$922,024 was collateralized with securities held by pledging financial institutions' agents 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. The District had no investments at June 30, 2011.

**Compensated Absences**

**Vacation**

The superintendent is allowed 20 days of vacation per year. Other full-time employees are allowed two weeks vacation after one year of service. After 10 years of service, 3 weeks of vacation will be provided. The District does not allow vacation leave to be accumulated unless approved by the superintendent. Monthly and part-time employees are not eligible for vacation pay.

**Sick Leave**

**Certified Employees** - The policy regarding sick pay is that all employees are allowed 10 days per year, accumulative to 60 days. According to the negotiated agreement, when an employee reaches 60 or more days (could be from 60 to 70 days), the days not used for sick leave during that year above 60 days will be bought back at the end of the school year at a rate of \$50 a day, not to exceed \$500 per person.

**Noncertified Employees** - Full-time employees are allowed 10 days per year, accumulative to 40 days. Monthly and part-time employees are allowed 7 days per year, accumulative to 21 days. Upon termination of employment, no sick leave benefits will be paid out beyond the District's buy-back policy for certified personnel.

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Sick Leave Bank - The sick leave bank is voluntary and open to all employees who receive sick leave days from the District. Employees have until September 5th of each school year to deposit sick leave days to the bank. An employee may deposit up to 10 days each year, to an accumulated maximum deposit of 20 days of sick leave for each employee. The number of sick leave days that an employee may borrow from the sick leave bank is limited to two times the number of sick leave days which the employee has contributed to the sick leave bank. Sick leave days which are borrowed from the bank will be paid back by the employee at the rate of three days per year. An employee's request for sick days will include a statement from their doctor and a written statement from the employee stating the reason for the need to borrow sick leave days from the bank. The request will be given to the superintendent, and he will provide a written reply to the employee within five business days.

**Personal Leave**

Certified Employees - Each employee is allowed two days of non-accumulative personal leave each contract year. Employees will be paid \$50 for each day of unused personal leave. The Board is willing to grant a third day of personal leave for which the employee will pay one-half of the cost of the substitute.

Non-Certified Employees - Full-time employees are allowed two days of non-accumulative personal leave. Monthly and part-time employees shall be allowed one day of personal leave. Employees will be paid \$20 for each day of unused personal leave.

The potential liability for accumulated sick leave is shown on the schedule of long-term debt. Personal leave is not allowed to accumulate. Vacation leave is not allowed to accumulate, unless the superintendent gives his approval.

**Deferred Compensation Plan**

The District sponsors a deferred compensation plan under Internal Revenue Code Section 403(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

**Defined Benefit Pension Plan**

**Plan Description**

The District 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% and 6% (if hired on or after July 1, 2009) of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERs according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. The State currently contributes 9.17% of covered payroll and 20.48% for licensed KPERs retirees. These contribution requirements are established by KPERs and are periodically revised. The State of Kansas' contributions to KPERs for all Kansas public school employees for the years ending June 30, 2010, 2009 and 2008 were \$253,834,044, \$248,468,168 and

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

\$242,277,363, respectively, equal to the required contributions for each year as set forth by the legislature. The amounts attributable to the District for the years ending June 31, 2011, 2010, and 2009 were \$64,524, \$73,016, and \$74,306, respectively.

**Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually the District is subsidizing the retirees because each participant is charged a level 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 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.

**Property Tax Calendar**

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. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

**Restricted Assets**

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the trust and agency funds of the District for special purposes.

**Reimbursements**

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

**NOTE 2 – INTERFUND 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. **Chase-Raymond Unified School District No. 401 Chase, Kansas'** interfund transfers and statutory authority for the year ended June 30, 2011 were as follows:

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

**NOTE 2 – INTERFUND TRANSFERS (continued)**

From	To	Authority	Amount
General Fund	4 Year Old At Risk Fund	K.S.A. 72-6428	\$ 40,000
General Fund	At Risk Fund (K-12)	K.S.A. 72-6428	200,021
General Fund	Special Education Fund	K.S.A. 72-6428	129,237
General Fund	ESOL Fund	K.S.A. 72-6428	5,739
General Fund	Vocational Education Fund	K.S.A. 72-6428	73,214
General Fund	Capital Outlay Fund	K.S.A. 72-6428	23,842
General Fund	Driver Training Fund	K.S.A. 72-6428	5,000
General Fund	Professional Development Fund	K.S.A. 72-6428	10,465
Supplemental General Fund	Food Service Fund	K.S.A. 72-6433	21,650
Supplemental General Fund	Special Education Fund	K.S.A. 72-6433	65,000
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-6433	41,748
Textbook Rental Fund	Capital Outlay Fund	Closing Fund	453
Bond and Interest Fund	Capital Outlay Fund	Closing Fund	105,004

**NOTE 3 – LITIGATION**

**Chase-Raymond Unified School District No. 401 Chase, Kansas** is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the District.

**NOTE 4 – RISK MANAGEMENT**

**Chase-Raymond Unified School District No. 401 Chase, Kansas** carries commercial insurance for risks of loss, including property, general liability, inland marine, crime, umbrella, linebacker, automobile and fidelity bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 5 – GRANTS AND SHARED REVENUES**

**Chase-Raymond Unified School District No. 401 Chase, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

**NOTE 6 – COMPARATIVE DATA**

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **Chase-Raymond Unified School District No. 401 Chase, Kansas'** cash and unencumbered cash balances. However, complete comparative data (presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

---

**NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The District has outstanding checks in excess of two years that were noted during review of the bank reconciliations on the main checking account of the District, which is a violation of K.S.A. 10-816.

The District has outstanding payroll checks in excess of one year that were not remitted as unclaimed property to the state treasurer, which is a violation of K.S.A. 58-3935 and K.S.A. 58-3934.

The District's expenditures exceeded the budget limitations within the 4 Year Old At-Risk Fund by \$55, which is a violation of K.S.A. 79-2935.

**NOTE 8 – LONG-TERM DEBT**

Capital Lease – **Chase-Raymond Unified School District No. 401 Chase, Kansas** has entered into two lease agreements for copy machines with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401, CHASE, KANSAS  
Notes to Financial Statements  
June 30, 2011

**NOTE 8 - LONG-TERM DEBT (continued)**

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	Net Change	Balance End of Year	Interest Paid
<b>Capital Leases</b>										
Copier Lease - IR5000	6.50%	02/20/08	12,623	05/20/13	\$ 7,342	-	7,342		-	153
Copier Lease - IR5050N	6.00%	11/09/10	14,647	11/09/15	-	14,647	1,709		12,938	556
Copier Lease - IR3300	6.00%	11/09/10	6,700	11/09/15	-	6,700	782		5,918	254
<b>Total Contractual Indebtedness</b>					7,342	21,347	9,833	-	18,856	963
<b>Compensated Absences</b>					20,080			319	20,399	
<b>Total Long-Term Debt</b>					<b>\$ 27,422</b>	<b>21,347</b>	<b>9,833</b>	<b>319</b>	<b>39,255</b>	<b>963</b>

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

	2012	2013	2014	2015	2016	Total
<b>Principal</b>						
<b>Capital Leases</b>						
Copier - IR5050N	\$ 2,695	2,861	3,038	3,225	1,119	12,938
Copier - IRC34801	1,233	1,309	1,389	1,475	512	5,918
<b>Total Principal</b>	<b>3,928</b>	<b>4,170</b>	<b>4,427</b>	<b>4,700</b>	<b>1,631</b>	<b>18,856</b>
<b>Interest</b>						
<b>Capital Leases</b>						
Copier - IR5050N	703	537	360	173	14	1,787
Copier - IRC34801	322	246	165	79	6	818
<b>Total Interest</b>	<b>1,025</b>	<b>783</b>	<b>525</b>	<b>252</b>	<b>20</b>	<b>2,605</b>
<b>Total Principal and Interest</b>	<b>\$ 4,953</b>	<b>4,953</b>	<b>4,952</b>	<b>4,952</b>	<b>1,651</b>	<b>21,461</b>

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

Notes to Financial Statements

June 30, 2011

**NOTE 9 - COMPLIANCE WITH K.S.A. 72-6417(d) and K.S.A. 72-6434(d)**

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

**CHASE-RAYMOND UNIFIED SCHOOL DISTRICT NO. 401 CHASE, KANSAS**

**General Fund**

Statutory Revenues and Expenditures - Statutory and Budget

For the Year Ended June 30, 2011

	<b>Statutory Transactions</b>	<b>Budget</b>	<b>Variance Over (Under)</b>
<b>Statutory Revenues</b>			
Taxes and Shared Revenues	\$ 350,639	348,935	1,704
Intergovernmental Revenues			
Mineral Severance Tax	12,615	-	12,615
State Equalization Aid	898,684	959,441	(60,757)
State Special Education	146,990	146,990	-
Federal Aid - ARRA	26,521	26,521	-
Federal Aid - Ed Jobs	46,438	-	46,438
Reimbursed Expenses	34,333	-	34,333
	<u>1,516,220</u>	<u>1,481,887</u>	<u>34,333</u>
<b>Total Statutory Revenues</b>			
	<u>1,516,220</u>	<u>1,481,887</u>	<u>34,333</u>
<b>Expenditures</b>			
Instruction	578,116	587,864	(9,748)
Student Support Services	46,186	65,700	(19,514)
Instructional Support Services	35,030	63,800	(28,770)
General Administration	49,345	58,043	(8,698)
School Administration	127,031	60,000	67,031
Central Services	44,004	43,500	504
Operations and Maintenance	92,575	89,000	3,575
Student Transportation Services	56,415	53,300	3,115
Operating Transfers Out	487,518	519,000	(31,482)
Adjustment to Comply With Legal Max	-	(58,320)	58,320
Legal General Fund Budget	1,516,220	1,481,887	34,333
(a) Adjustment for Qualifying Budget Credits	-	34,333	(34,333)
	<u>1,516,220</u>	<u>1,516,220</u>	<u>-</u>
<b>Total Expenditures and Legal General Fund Budget</b>			
	<u>1,516,220</u>	<u>1,516,220</u>	<u>-</u>
<b>Statutory Revenues Over (Under) Expenditures</b>	-		
<b>Modified Unencumbered Cash - Beginning</b>	-		
<b>Modified Unencumbered Cash - Ending</b>	\$ -		
<b>(a) Adjustment for Qualifying Budget Credits</b>			
Reimbursed Expense Over Amount Budgeted		\$ <u>34,333</u>	