

**UNIFIED SCHOOL DISTRICT NUMBER 405  
LYONS, KANSAS**

**FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED JUNE 30, 2011**

**Unified School District Number 405  
Lyons, Kansas**

**Fiscal Year Ended June 30, 2011**

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**Unified School District Number 405  
Lyons, Kansas**

**Fiscal Year Ended June 30, 2011**

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1936 - 2011

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## INDEPENDENT AUDITOR'S REPORT

The Board of Education  
Unified School District Number 405  
Lyons, KS 67554

We have audited the accompanying financial statements of Unified School District Number 405, Lyons, Kansas, as of and for the year ended June 30, 2011. These financial statements are the responsibility of Unified School District Number 405's management. Our responsibility is to express an opinion on these special financial statements based on our audit. The prior year partial (and summarized) comparative information has been derived from the District's 2010 financial statements and, in our report dated October 22, 2010, we express an unqualified opinion on the financial statements taken as a whole.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and 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 also 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 in Note 1, Unified School District Number 405, Lyons, Kansas, prepares its financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District Number 405, Lyons, Kansas, as of June 30, 2011, or changes in 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 Number 405, Lyons, Kansas, as of June 30, 2011, and its cash receipts and expenditures, and budgetary comparisons for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2011, on our consideration of the Unified School District Number 405's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Unified School District Number 405, Lyons, Kansas' financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the financial statements of Unified School District Number 405, Lyons, Kansas. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll, Janzen, Hawk & Loyd, LLC

October 14, 2011



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

Board of Education  
Unified School District Number 405  
Lyons, Kansas

We have audited the financial statements of the Unified School District Number 405 as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 14, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Auditing Guide*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting (11-01 and 11-02). A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

## Compliance and Other Matters

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

We noted certain matters that we reported to management of the District, in a separate letter dated October 14, 2011.

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

Swindoll, Janzen, Hawk & Loyd, LLC

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Swindoll Janzen Hawk & Loyd, LLC

October 14, 2011



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

Board of Education  
Unified School District Number 405  
Lyons, Kansas

**Compliance**

We have audited the compliance of the Unified School District Number 405 with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

**Internal Control Over Compliance**

Management of the Unified School District Number 405 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on the responses.

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

Swindoll, Janzen, Hawk & Loyd, LLC

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Swindoll Janzen Hawk & Loyd, LLC

October 14, 2011

**Unified School District Number 405  
Lyons, Kansas**

**SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**

For the Year Ended June 30, 2011

Fund	Beginning Unencumbered Cash Balance 07-01-10	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance 06-30-11	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance 06-30-11
<b>GOVERNMENTAL TYPE FUNDS:</b>						
<b>GENERAL OPERATING FUNDS</b>						
General Fund	\$ (377,304)	\$ 6,198,527	\$ 6,257,758	\$ (436,535)	\$ 44,227	\$ (392,308)
Supplemental General Fund	(102,920)	1,890,602	1,799,373	(11,691)	156,733	145,042
<b>SPECIAL REVENUE FUNDS</b>						
At Risk (4 Year Old) Fund	30,643	467	360	30,750	-	30,750
At Risk (K-12) Fund	96,449	1,877,800	1,324,249	650,000	-	650,000
Bilingual Education Fund	71,041	235,507	236,548	70,000	-	70,000
Capital Outlay Fund	781,711	344,005	271,011	854,705	10,412	865,117
Driver Training Fund	17,792	8,277	8,069	18,000	654	18,654
Food Service Fund	115,541	415,303	399,213	131,631	7,305	138,936
Professional Development Fund	67,701	41,215	38,916	70,000	698	70,698
Parent Education Fund	-	95,151	95,151	-	4,777	4,777
Recreation Commission Fund	15,575	195,525	204,450	6,650	-	6,650
Recreation Commission Employee Benefits Fund	2,557	39,037	40,325	1,269	-	1,269
Special Education Fund	507,347	1,051,027	1,048,374	510,000	-	510,000
Special Education Cooperative Fund	987,062	3,199,680	3,027,937	1,158,805	15,793	1,174,598
Summer School Fund	17,982	9,133	9,115	18,000	-	18,000
Technology Revolving Fund	35,365	19,080	20,977	33,468	-	33,468
Vocational Education Fund	167,740	146,403	139,143	175,000	-	175,000
Virtual Education Fund	6,627	-	-	6,627	-	6,627
KPERS Special Retirement Contribution Fund	(266,967)	718,204	451,237	-	-	-
Carl Perkins Consortium Fund	-	3,500	3,500	-	106	106
Contingency Reserve Fund	626,753	-	-	626,753	-	626,753
Title I Fund	-	305,015	305,015	-	-	-
Title II-A Teacher Quality Fund	-	40,707	40,707	-	152	152
Title VI-B Discretionary Fund	-	22,545	22,545	-	-	-
Title II-D Education Technology Fund	-	3,375	3,375	-	-	-
Other Federal Funds Fund	-	19,253	19,253	-	69	69
Smart Start Grant Fund	-	-	-	-	-	-
Gifts and Grants Fund	2,452	11,715	8,328	5,839	1,415	7,254
Fatherhood Grant Fund	8,452	62,775	71,227	-	6,918	6,918
Gate Receipts Funds	672	87,939	87,816	795	12,896	13,691
School Project Funds	34,030	67,576	69,286	32,320	628	32,948
<b>DEBT SERVICE FUND</b>						
Bond and Interest Fund	282,673	437,427	429,060	291,040	-	291,040
<b>FIDUCIARY TYPE FUNDS:</b>						
<b>PRIVATE PURPOSE TRUST FUNDS</b>						
John Lawrence Fund	823	2	-	825	-	825
Needy Children Fund	3,040	850	335	3,555	-	3,555
<b>Total Reporting Entity</b>	<b>\$ 3,132,837</b>	<b>\$ 17,547,622</b>	<b>\$ 16,432,653</b>	<b>\$ 4,247,806</b>	<b>\$ 262,783</b>	<b>\$ 4,510,589</b>

**COMPOSITION OF CASH:**

Lyons State Bank - Super NOW	\$ 2,763
Lyons State Bank - Hi Fi	2,566
First Bank - NOW	3,116
First Bank - Maximizer	3,863
First Bank - LHS Activity Fund	42,381
Lyons Federal Savings - Super Advantage	13,615
Lyons Federal Savings - Advantage	885,822
Lyons State Bank - Checking #90417	3,555
Lyons State Bank - Passbook Savings # 610410	825
Lyons State Bank - LMS Activity	7,611
Lyons State Bank - Park Elementary Activity	5,892
Lyons State Bank - Central Elementary Activity	1,458
Lyons Federal Savings - Certificates of Deposit	3,600,000
<b>Total Cash</b>	<b>4,573,467</b>
Agency Funds per Statement 4 and 5	(62,878)
<b>Total (Excluding Agency Funds)</b>	<b>\$ 4,510,589</b>

**Unified School District Number 405  
Lyons, Kansas**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
(Budgeted Funds Only)  
For the Year Ended June 30, 2011**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment to Comply With Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Favorable (Unfavorable)</u>
<b>GOVERNMENTAL TYPE FUNDS:</b>						
<b>GENERAL OPERATING FUNDS</b>						
General Fund	\$ 6,877,772	\$ (714,398)	\$ 94,384	\$ 6,257,758	\$ 6,257,758	\$ -
Supplemental General Fund	1,790,000	-	9,373	1,799,373	1,799,373	-
<b>SPECIAL REVENUE FUNDS</b>						
At Risk (4 Yr Old) Fund	106,456	-	-	106,456	360	106,096
At Risk (K-12) Fund	1,324,249	-	-	1,324,249	1,324,249	-
Bilingual Education Fund	271,041	-	-	271,041	236,548	34,493
Capital Outlay Fund	689,500	-	124,964	814,464	271,011	543,453
Driver Training Fund	32,542	-	-	32,542	8,069	24,473
Food Service Fund	493,050	-	4,270	497,320	399,213	98,107
Professional Development Fund	80,701	-	2,160	82,861	38,916	43,945
Parent Education Fund	95,700	-	-	95,700	95,151	549
Recreation Commission Fund	204,450	-	-	204,450	204,450	-
Recreation Commission Employee Benefits Fund	40,325	-	-	40,325	40,325	-
Special Education Fund	1,300,000	-	-	1,300,000	1,048,374	251,626
Special Education Cooperative Fund	3,583,818	-	20,834	3,604,652	3,027,937	576,715
Summer School Fund	17,983	-	-	17,983	9,115	8,868
Vocational Education Fund	235,333	-	-	235,333	139,143	96,190
Virtual Education Fund	56,627	-	-	56,627	-	56,627
KPERS Special Retirement Contribution Fund	651,852	-	-	651,852	451,237	200,615
<b>DEBT SERVICE FUND</b>						
Bond and Interest Fund	429,161	-	-	429,161	429,060	101
<b>Total</b>	<b>\$ 18,280,560</b>	<b>\$ (714,398)</b>	<b>\$ 255,985</b>	<b>\$ 17,822,147</b>	<b>\$ 15,780,289</b>	<b>\$ 2,041,858</b>

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

Unified School District Number 405  
Lyons, Kansas

GENERAL OPERATING FUND

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)

	2010		2011		Variance Favorable (Unfavorable)
	Actual	Actual	Actual	Budget	
<b>Cash Receipts:</b>					
Taxes and Shared Revenue:					
Ad valorem property					
Prior year	\$ 7,350	\$ 11,226	\$ 2,950		\$ 8,276
Current year	616,803	609,445	602,825		6,620
Delinquent tax	13,680	13,387	11,245		2,142
In lieu of taxes - industrial revenue bonds	3,623	1,890	-		1,890
Mineral production tax	322	774	500		274
General state aid	4,659,253	4,353,747	5,124,216		(770,469)
Special Education aid	919,335	808,214	1,025,000		(216,786)
Federal aid - ARRA	299,695	111,036	111,036		-
Federal aid - Education Jobs	-	194,424	194,424		-
Miscellaneous reimbursements	85,905	94,384	-		94,384
Total Cash Receipts	6,605,966	6,198,527	\$ 7,072,196		\$ (873,669)
<b>Expenditures:</b>					
Instruction -					
Certified salaries	1,233,861	1,244,182	\$ 962,507		\$ (281,675)
Certified salaries - ARRA	111,853	41,296	50,000		8,704
Certified salaries - Education Jobs	-	108,432	-		(108,432)
Non-certified salaries	84,161	54,400	65,416		11,016
Non-certified salaries - Education Jobs	-	2,305	-		(2,305)
Insurance	65,593	65,724	76,500		10,776
Insurance - Education Jobs	-	5,021	-		(5,021)
Social Security	117,616	104,655	135,000		30,345
Social Security - ARRA	9,069	800	10,000		9,200
Other employee benefits	49,243	60,830	65,585		4,755
Purchased professional services	86,789	123,932	111,000		(12,932)
Other purchased services	15,336	10,540	15,500		4,960
Teaching supplies	6,079	8,221	10,300		2,079
Textbooks	1,341	2,249	3,250		1,001
Miscellaneous supplies	4,200	4,200	5,200		1,000
Property and equipment	35,879	17,503	42,000		24,497
Other	90,353	87,701	121,100		33,399
Student Support Services -					
Certified salaries	90,636	81,189	107,000		25,811
Certified salaries - ARRA	6,718	2,506	6,800		4,294
Certified salaries - Education Jobs	-	8,114	-		(8,114)
Non-certified salaries	1,910	-	2,000		2,000
Insurance	3,331	3,031	8,700		5,669
Social Security	7,661	7,035	8,250		1,215
Other employee benefits	551	642	655		13
Purchased professional services	3,032	290	4,200		3,910
Supplies	3,044	2,279	3,000		721
Instruction Support Staff -					
Certified salaries	48,280	50,425	62,350		11,925
Certified salaries - ARRA	3,568	1,900	3,600		1,700
Certified salaries - Education Jobs	-	4,950	-		(4,950)
Non-certified salaries	100,857	100,503	120,000		19,497
Non-certified salaries - ARRA	18,596	9,906	19,000		9,094
Non-certified salaries - Education Jobs	-	11,002	-		(11,002)

Unified School District Number 405  
Lyons, Kansas

GENERAL OPERATING FUND

GENERAL FUND (cont.)

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)

	2011			
	2010 Actual	Actual	Budget	Variance Favorable (Unfavorable)
Expenditures: (cont.)				
Instruction Support Staff -				
Insurance	\$ 22,239	\$ 20,595	\$ 25,100	\$ 4,505
Social Security	13,117	13,707	19,950	6,243
Other employee benefits	6,799	10,397	7,015	(3,382)
Other purchased services	-	-	29,192	29,192
Audio visual and instructional software	5,146	2,196	5,244	3,048
Miscellaneous supplies	-	-	50	50
General Administration -				
Certified salaries	109,449	127,897	176,260	48,363
Certified salaries - ARRA	34,693	13,217	35,000	21,783
Non-certified salaries	7,127	6,430	8,900	2,470
Insurance	7,613	10,448	7,615	(2,833)
Social Security	11,545	11,354	13,375	2,021
Other employee benefits	7,809	5,615	9,445	3,830
Purchased professional services	17,081	30,498	23,900	(6,598)
Purchased property services	3,098	4,349	3,210	(1,139)
Communications	6,375	4,798	6,300	1,502
Supplies	2,322	3,407	3,000	(407)
Property and equipment	223	2,003	1,000	(1,003)
School Administration -				
Certified salaries	188,915	206,573	296,750	90,177
Certified salaries - ARRA	63,426	23,737	64,000	40,263
Certified salaries - Education Jobs	-	20,875	-	(20,875)
Non-certified salaries	105,937	90,248	115,450	25,202
Non-certified salaries - Education Jobs	-	9,699	-	(9,699)
Insurance	23,233	26,964	25,300	(1,664)
Social Security	27,643	26,962	30,000	3,038
Other employee benefits	2,498	3,139	2,725	(414)
Communications	331	324	750	426
Other purchased services	1,627	1,970	3,130	1,160
Property and equipment	4,049	2,342	3,750	1,408
Operations & Maintenance -				
Non-certified salaries	144,403	158,094	214,750	56,656
Non-certified salaries - ARRA	51,773	17,673	-	(17,673)
Non-certified salaries - Education Jobs	-	18,000	-	(18,000)
Insurance	6,914	7,957	9,000	1,043
Social Security	15,023	14,829	16,500	1,671
Other employee benefits	12,718	9,074	9,500	426
Purchased professional services	-	993	14,000	13,007
Water/sewer	6,460	6,873	7,450	577
Cleaning	19,375	18,330	19,500	1,170
Repairs and maintenance	28,055	23,126	28,200	5,074
Rentals	8,100	8,100	8,100	-
Other	12,085	13,334	17,000	3,666
Insurance	85,685	88,405	107,900	19,495
General supplies	-	4,738	-	(4,738)
Heating	80,412	67,650	136,000	68,350
Electricity	104,602	135,184	128,350	(6,834)
Motor fuel	719	2,343	370	(1,973)
Property and equipment	-	451	-	(451)

Unified School District Number 405  
Lyons, Kansas

GENERAL OPERATING FUND

GENERAL FUND (cont.)

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)

	2010		2011		Variance Favorable (Unfavorable)
	Actual	Actual	Actual	Budget	
Student Transportation Services:					
Vehicle Operating Services -					
Non-certified salaries	\$ 39,911	\$ 31,733	\$ 50,000	\$ 18,267	
Non-certified salaries - Education Jobs	-	3,789	-	(3,789)	
Insurance	1,506	1,540	2,000	460	
Social Security	2,905	2,679	4,000	1,321	
Other employee benefits	1,971	1,802	2,100	298	
Other purchased services	8,205	8,243	8,325	82	
Supplies	23,464	28,351	26,000	(2,351)	
Property and equipment	3,611	2,050	3,700	1,650	
Other	2,272	2,297	2,950	653	
Student Transportation Services:					
Vehicle and Maintenance Services -					
Non-certified salaries	10,678	11,679	12,500	821	
Social Security	817	893	1,000	107	
Other employee benefits	227	242	350	108	
Other purchased services	15,446	24,025	15,500	(8,525)	
Supplies	4,835	4,508	7,500	2,992	
Equipment	172	-	500	500	
Other Student Transportation Services -					
Certified salaries	26,173	24,456	28,750	4,294	
Certified salaries - Education Jobs	-	2,237	-	(2,237)	
Insurance	2,353	1,833	2,400	567	
Social security	2,020	2,053	2,160	107	
Other employee benefits	2,302	656	2,685	2,029	
Other Supplemental Service -					
Non-certified salaries	60,997	62,351	68,500	6,149	
Insurance	6,788	2,433	6,800	4,367	
Social Security	4,740	4,883	5,200	317	
Other employee benefits	2,740	2,444	2,825	381	
Outgoing transfers -					
Bilingual Education	35,000	-	-	-	
Capital Outlay	260,016	163,449	-	(163,449)	
Driver Training	-	932	-	(932)	
Professional Development	5,000	-	-	-	
Parent Education	16,248	16,748	17,000	252	
Special Education	736,176	808,214	995,072	186,858	
Summer School	10,000	-	-	-	
Virtual Education	14,443	-	-	-	
Vocational Education	259,000	60,000	117,000	57,000	
Contingency Reserve	211,259	-	-	-	
At Risk (4 Year Old)	64,000	-	75,813	75,813	
At Risk (K-12)	1,070,000	1,480,577	1,765,198	284,621	
Adjustment for Legal Max	-	-	(714,398)	(714,398)	
Legal General Fund Budget	6,353,451	6,257,758	6,163,374	(94,384)	
Adjustment for Qualifying Budget Credits	-	-	94,384	94,384	
Total Expenditures	<u>6,353,451</u>	<u>6,257,758</u>	<u>\$ 6,257,758</u>	<u>\$ -</u>	
Receipts Over (Under) Expenditures	252,515	(59,231)			
Unencumbered Cash, Beginning	(629,819)	(377,304)			
Unencumbered Cash, Ending	<u>\$ (377,304)</u>	<u>\$ (436,535)</u>	*		

\* See Note 6 (Statutory Presentation)

Unified School District Number 405  
Lyons, Kansas

GENERAL OPERATING FUND

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)

	2011			Variance Favorable (Unfavorable)
	2010 Actual	Actual	Budget	
<b>Cash Receipts:</b>				
<b>Taxes and Shared Revenue:</b>				
<b>Ad valorem property</b>				
Prior year	\$ 10,486	\$ 16,343	\$ 11,170	\$ 5,173
Current year	743,378	735,181	706,339	28,842
Delinquent tax	19,305	18,818	13,690	5,128
Reimbursements	6,419	9,373	-	9,373
Motor and recreational vehicle tax	67,130	82,399	78,614	3,785
In lieu of taxes - industrial revenue bonds	3,899	2,073	-	2,073
Supplemental state aid	662,314	1,026,415	907,387	119,028
Federal aid - ARRA	227,590	-	-	-
<b>Total Cash Receipts</b>	<b>1,740,521</b>	<b>1,890,602</b>	<b>\$ 1,717,200</b>	<b>\$ 173,402</b>
<b>Expenditures:</b>				
<b>Instruction -</b>				
Certified salaries	75,580	74,319	\$ 73,000	\$ (1,319)
Certified salaries - ARRA	227,590	-	228,000	228,000
Non-certified salaries	1,405	1,266	2,000	734
Insurance	121,662	128,044	130,000	1,956
Social Security	5,597	5,588	7,000	1,412
Purchased professional services	-	2,324	-	(2,324)
Other employee benefits	694	1,056	940	(116)
Other purchased services	26,912	17,313	30,090	12,777
Supplies	55,768	63,086	104,400	41,314
Textbooks	3,640	6,182	37,500	31,318
Property and equipment	23,141	164,002	226,600	62,598
Other	7,683	7,172	9,400	2,228
<b>Student Support Services -</b>				
Certified salaries	720	900	1,500	600
Non-certified salaries	580	197	580	383
Insurance	8,093	7,405	9,200	1,795
Social Security	99	84	195	111
Other employee benefits	88	90	110	20
Purchased professional services	-	1,701	-	(1,701)
Other purchased services	247	155	1,250	1,095
Supplies	23	164	500	336
<b>Instructional Support -</b>				
Certified salaries	2,022	544	2,450	1,906
Non-certified salaries	408	844	2,000	1,156
Insurance	20,416	21,867	25,000	3,133
Social Security	186	106	610	504
Other employee benefits	50	107	90	(17)
Books	16,464	9,607	28,100	18,493
Miscellaneous supplies	2,634	2,892	6,150	3,258
Property and equipment	-	251	700	449
<b>General Administration -</b>				
Certified salaries	11,544	5,851	3,000	(2,851)
Insurance	8,806	8,732	10,000	1,268
Social Security	883	427	900	473
Other employee benefits	55	58	75	17
Purchased professional services	11,697	16,574	14,200	(2,374)
Other purchased services	14,277	14,580	16,400	1,820
Property and equipment	-	226	500	274
Other	8,387	8,418	8,800	382

Unified School District Number 405  
Lyons, Kansas

GENERAL OPERATING FUND

SUPPLEMENTAL GENERAL FUND (cont.)

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)

	2011			
	2010 Actual	Actual	Budget	Variance Favorable (Unfavorable)
Expenditures: (cont.)				
School Administration -				
Certified salaries	\$ 2,798	\$ 7,605	\$ 4,700	\$ (2,905)
Non-certified salaries	2,854	3,381	3,400	19
Insurance	30,138	30,671	31,000	329
Social Security	413	820	700	(120)
Other employee benefits	49	57	75	18
Other purchased services	2,166	2,579	2,550	(29)
Supplies	2,989	3,278	3,700	422
Operations & Maintenance -				
Certified salaries	-	-	175	175
Non-certified salaries	39,170	31,896	50,000	18,104
Insurance	31,607	30,673	33,000	2,327
Social Security	2,978	2,426	4,000	1,574
Other employee benefits	1,295	1,626	1,481	(145)
Purchased property services	82,705	73,747	94,850	21,103
Other purchased services	228	202	250	48
Supplies	29,099	16,074	53,500	37,426
Motor fuel	1,510	1,425	4,000	2,575
Property and equipment	20,539	31,928	25,500	(6,428)
Student Transportation Services -				
Certified salaries	405	405	410	5
Non-certified salaries	-	-	1,000	1,000
Insurance	1,656	1,578	2,500	922
Social Security	29	29	50	21
Other employee benefits	130	131	175	44
Other Student Transportation Services -				
Insurance	2,100	2,200	3,000	800
Other Supplemental Services -				
Certified salaries	-	3,240	600	(2,640)
Non-certified salaries	6,877	9,137	9,800	663
Insurance	7,457	6,174	7,500	1,326
Social Security	512	928	600	(328)
Other employee benefits	28	38	50	12
Outgoing Transfers -				
Bilingual Education	211,000	203,267	200,000	(3,267)
Driver Training	2,000	-	5,000	5,000
Special Education	363,746	242,813	53,000	(189,813)
Professional Development	-	25,895	-	(25,895)
Summer School	-	9,133	-	(9,133)
Vocational Education	-	86,403	50,000	(36,403)
At Risk (4 Yr Old)	-	467	-	(467)
At Risk (K-12)	227,590	397,015	162,194	(234,821)
Legal Supplemental General Fund Budget	1,731,419	1,799,373	1,790,000	(9,373)
Adjustment for Qualifying Budget Credits	-	-	9,373	9,373
Total Expenditures	1,731,419	1,799,373	\$ 1,799,373	\$ -
Receipts Over (Under) Expenditures	9,102	91,229		
Unencumbered Cash, Beginning	(112,022)	(102,920)		
Unencumbered Cash, Ending	\$ (102,920)	\$ (11,691)	*	

\* See Note 6 (Statutory Presentation)

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**AT RISK (4 YEAR OLD) 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)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Transfer from General Fund	\$ 64,000	\$ -	\$ 75,813	\$ (75,813)
Transfer from Supplemental General Fund	-	467	-	467
Total Cash Receipts	<u>64,000</u>	<u>467</u>	<u>\$ 75,813</u>	<u>\$ (75,346)</u>
Expenditures:				
Instruction -				
Certified salaries	126	-	\$ -	\$ -
Social security	10	-	-	-
Other employee benefits	566	189	566	377
Purchased professional services	38,114	-	98,890	98,890
Teaching supplies	27	171	4,000	3,829
Equipment	-	-	3,000	3,000
Total Expenditures	<u>38,843</u>	<u>360</u>	<u>\$ 106,456</u>	<u>\$ 106,096</u>
Receipts Over (Under) Expenditures	25,157	107		
Unencumbered Cash, Beginning	<u>5,486</u>	<u>30,643</u>		
Unencumbered Cash, Ending	<u>\$ 30,643</u>	<u>\$ 30,750</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**AT RISK (K-12) 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)

	<u>2010</u>	<u>2011</u>		<u>Variance</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>Cash Receipts:</b>				
Miscellaneous revenue	\$ 72	\$ 208	\$ 2,000	\$ (1,792)
Transfer from General Fund	1,070,000	1,480,577	1,150,800	329,777
Transfer from Supplemental General Fund	227,590	397,015	75,000	322,015
	<u>1,297,662</u>	<u>1,877,800</u>	<u>\$ 1,227,800</u>	<u>\$ 650,000</u>
<b>Total Cash Receipts</b>				
<b>Expenditures:</b>				
<b>Instruction -</b>				
Certified salaries	942,712	1,050,834	\$ 1,002,560	\$ (48,274)
Non-certified salaries	3,978	5,014	9,000	3,986
Insurance	167,224	152,639	167,200	14,561
Social security	72,749	85,459	75,000	(10,459)
Other employee benefits	3,072	7,478	3,064	(4,414)
Purchased professional services	3,239	-	3,250	3,250
Teaching supplies	19,057	22,817	28,000	5,183
Other	-	8	36,175	36,167
	<u>1,212,031</u>	<u>1,324,249</u>	<u>\$ 1,324,249</u>	<u>\$ -</u>
<b>Total Expenditures</b>				
Receipts Over (Under) Expenditures	85,631	553,551		
Unencumbered Cash, Beginning	<u>10,818</u>	<u>96,449</u>		
Unencumbered Cash, Ending	<u>\$ 96,449</u>	<u>\$ 650,000</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**BILINGUAL EDUCATION FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

For the Year Ended June 30, 2011

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

			<u>2011</u>		<u>Variance Favorable (Unfavorable)</u>
	<u>2010 Actual</u>		<u>Actual</u>	<u>Budget</u>	
Cash Receipts:					
Other revenue from local source	\$ 5,345		\$ 1,525	\$ -	\$ 1,525
Federal Aid	33,725		30,715	-	30,715
Transfer from General Fund	35,000		-	-	-
Transfer from Supplemental General Fund	<u>211,000</u>		<u>203,267</u>	<u>200,000</u>	<u>3,267</u>
Total Cash Receipts	<u>285,070</u>		<u>235,507</u>	<u>\$ 200,000</u>	<u>\$ 35,507</u>
Expenditures:					
Instruction -					
Certified salaries	38,315		35,852	\$ 47,273	\$ 11,421
Non-certified salaries	136,686		140,803	146,000	5,197
Insurance	39,528		28,718	39,700	10,982
Social Security	13,446		13,557	15,000	1,443
Other employee benefits	818		986	1,250	264
Purchased professional services	203		-	-	-
Other purchased services	-		-	1,508	1,508
General teaching supplies	5,131		411	3,800	3,389
Miscellaneous supplies	-		53	-	(53)
School Administration -					
Certified salaries	13,730		13,601	13,800	199
Insurance	1,332		1,496	1,590	94
Social Security	1,055		1,046	1,100	54
Other employee benefits	<u>13</u>		<u>25</u>	<u>20</u>	<u>(5)</u>
Total Expenditures	<u>250,257</u>		<u>236,548</u>	<u>\$ 271,041</u>	<u>\$ 34,493</u>
Receipts Over (Under) Expenditures	34,813		(1,041)		
Unencumbered Cash, Beginning	<u>36,228</u>		<u>71,041</u>		
Unencumbered Cash, Ending	<u>\$ 71,041</u>		<u>\$ 70,000</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**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)**

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes and Shared Revenue:				
Ad valorem property				
Prior year	\$ 695	\$ 374	\$ 254	\$ 120
Current year	16,993	16,786	16,680	106
Delinquent tax	1,402	1,216	313	903
Motor vehicle tax	4,501	4,258	3,989	269
Recreational vehicle tax	69	64	61	3
In lieu of taxes - industrial revenue bonds	165	47	-	47
Interest on idle funds	32,724	24,636	50,000	(25,364)
Miscellaneous income	2,731	8,211	35,000	(26,789)
Transfer from General Fund	260,016	163,449	-	163,449
Miscellaneous reimbursements	23,459	124,964	-	124,964
Total Cash Receipts	<u>342,755</u>	<u>344,005</u>	<u>\$ 106,297</u>	<u>\$ 237,708</u>
Expenditures:				
Instruction -				
Property and equipment	144,937	12,842	\$ 165,500	\$ 152,658
General Administration -				
Property and equipment	-	41,436	5,000	(36,436)
School Administration -				
Property and equipment	3,900	-	13,900	13,900
Operations & Maintenance -				
Property and equipment	9,660	82,325	70,000	(12,325)
Facilities Acquisition Services -				
Repair & remodel building	-	52,573	335,100	282,527
Site Improvement	74,912	81,835	100,000	18,165
Legal Capital Outlay Fund Budget	233,409	271,011	689,500	418,489
Adjustment for Qualifying Budget Credits	-	-	124,964	124,964
Total Expenditures	<u>233,409</u>	<u>271,011</u>	<u>\$ 814,464</u>	<u>\$ 543,453</u>
Receipts Over (Under) Expenditures	109,346	72,994		
Unencumbered Cash, Beginning	672,365	781,711		
Unencumbered Cash, Ending	<u>\$ 781,711</u>	<u>\$ 854,705</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**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)

	2010		2011	
	Actual	Actual	Budget	Variance Favorable (Unfavorable)
<b>Cash Receipts:</b>				
State aid	\$ 1,450	\$ 2,220	\$ 3,500	\$ (1,280)
Miscellaneous income	3,750	5,125	6,250	(1,125)
Transfer from General Fund	-	932	-	932
Transfer from Supplemental General Fund	2,000	-	5,000	(5,000)
	<u>7,200</u>	<u>8,277</u>	<u>\$ 14,750</u>	<u>\$ (6,473)</u>
<b>Expenditures:</b>				
<b>Instruction -</b>				
Certified salaries	5,030	6,455	\$ 9,500	\$ 3,045
Social Security	385	494	725	231
Other employee benefits	5	9	35	26
Purchased professional & technical services	-	8	925	917
Textbooks	-	-	2,000	2,000
Miscellaneous supplies	60	34	4,000	3,966
Other	19	685	5,622	4,937
<b>Operation and Maintenance -</b>				
Rental of vehicles	-	-	2,500	2,500
Vehicle insurance	340	299	535	236
Motor fuel	437	74	1,500	1,426
Miscellaneous supplies	-	-	200	200
Other	64	11	5,000	4,989
	<u>6,340</u>	<u>8,069</u>	<u>\$ 32,542</u>	<u>\$ 24,473</u>
Receipts Over (Under) Expenditures	860	208		
Unencumbered Cash, Beginning	<u>16,932</u>	<u>17,792</u>		
Unencumbered Cash, Ending	<u>\$ 17,792</u>	<u>\$ 18,000</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**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)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Student sales	\$ 73,007	\$ 70,337	\$ 86,260	\$ (15,923)
Adult meals	8,421	9,752	15,250	(5,498)
Ala carte meals	7,853	5,518	-	5,518
State aid	4,748	4,651	4,283	368
Federal aid	311,676	316,881	311,264	5,617
Miscellaneous income	3,627	3,894	15,000	(11,106)
Miscellaneous reimbursements	6,383	4,270	-	4,270
	<u>415,715</u>	<u>415,303</u>	<u>\$ 432,057</u>	<u>\$ (16,754)</u>
Total Cash Receipts				
Expenditures:				
Food Service Operation -				
Non-certified salaries	111,873	111,460	\$ 134,700	\$ 23,240
Insurance	19,117	20,279	25,500	5,221
Social Security	8,587	8,541	10,000	1,459
Other employee benefits	3,210	3,321	6,136	2,815
Other purchased services	428	1,334	1,500	166
Food and milk	216,973	213,084	252,675	39,591
Miscellaneous supplies	17,818	16,664	25,072	8,408
Property and equipment	8,134	16,619	5,000	(11,619)
Other	6,181	7,911	32,467	24,556
	<u>392,321</u>	<u>399,213</u>	<u>493,050</u>	<u>93,837</u>
Legal Food Service Fund Budget				
Adjustment for Qualifying Budget Credits	-	-	4,270	4,270
	<u>392,321</u>	<u>399,213</u>	<u>\$ 497,320</u>	<u>\$ 98,107</u>
Total Expenditures				
Receipts Over (Under) Expenditures	23,394	16,090		
Unencumbered Cash, Beginning	92,147	115,541		
Unencumbered Cash, Ending	<u>\$ 115,541</u>	<u>\$ 131,631</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**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)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts:</b>				
Miscellaneous income	\$ 10,618	\$ 13,160	\$ 13,000	\$ 160
Transfer from Supplemental General Fund	-	25,895	-	25,895
Transfer from General Fund	5,000	-	-	-
Miscellaneous reimbursements	725	2,160	-	2,160
<b>Total Cash Receipts</b>	<b>16,343</b>	<b>41,215</b>	<b>\$ 13,000</b>	<b>\$ 28,215</b>
<b>Expenditures:</b>				
<b>Instructional Support Staff -</b>				
Certified salaries	2,066	14,265	\$ 27,000	\$ 12,735
Non-certified salaries	231	278	1,550	1,272
Social Security	-	1,484	2,000	516
Other employee benefits	143	166	197	31
Purchased professional services	270	1,772	9,204	7,432
Other purchased services	12,626	20,951	36,550	15,599
Books and periodicals	-	-	2,000	2,000
Miscellaneous supplies	-	-	2,200	2,200
<b>Legal Professional Development Fund Budget</b>	<b>15,336</b>	<b>38,916</b>	<b>80,701</b>	<b>41,785</b>
Adjustment for Qualifying Budget Credits	-	-	2,160	2,160
<b>Total Expenditures</b>	<b>15,336</b>	<b>38,916</b>	<b>\$ 82,861</b>	<b>\$ 43,945</b>
Receipts Over (Under) Expenditures	1,007	2,299		
Unencumbered Cash, Beginning	66,694	67,701		
Unencumbered Cash, Ending	\$ 67,701	\$ 70,000		

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

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**PARENT 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)**

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts:</b>				
Payments from other school districts	\$ 21,452	\$ 20,951	\$ 21,002	\$ (51)
State aid	58,000	57,452	58,000	(548)
Transfer from General Fund	16,248	16,748	16,698	50
<b>Total Cash Receipts</b>	<b>95,700</b>	<b>95,151</b>	<b>\$ 95,700</b>	<b>\$ (549)</b>
<b>Expenditures:</b>				
<b>Student Support Services -</b>				
Certified salaries	60,060	51,800	\$ 76,651	\$ 24,851
Insurance	18,430	17,325	8,160	(9,165)
Social Security	4,574	4,101	2,970	(1,131)
Other employee benefits	57	99	20	(79)
Purchased professional services	-	-	10	10
Other purchased services	7,791	7,155	4,300	(2,855)
Books and periodicals	-	328	-	(328)
Miscellaneous supplies	3,946	5,126	2,540	(2,586)
Property and equipment	842	9,217	1,049	(8,168)
<b>Total Expenditures</b>	<b>95,700</b>	<b>95,151</b>	<b>\$ 95,700</b>	<b>\$ 549</b>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**RECREATION COMMISSION FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

For the Year Ended June 30, 2011

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

	<u>2010 Actual</u>	<u>2011</u>		<u>Variance Favorable (Unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts:</b>				
<b>Taxes and Shared Revenue:</b>				
<b>Ad valorem property</b>				
Prior year	\$ 2,482	\$ 3,731	\$ -	\$ 3,731
Current year	169,710	167,722	169,341	(1,619)
Delinquent tax	4,523	4,314	3,126	1,188
Motor vehicle tax	16,072	18,993	18,109	884
Recreational vehicle tax	248	292	279	13
In lieu of taxes - industrial revenue bonds	905	473	-	473
<b>Total Cash Receipts</b>	<b>193,940</b>	<b>195,525</b>	<b>\$ 190,855</b>	<b>\$ 4,670</b>
<b>Expenditures:</b>				
Appropriation to Recreation Commission	<u>188,000</u>	<u>204,450</u>	<u>\$ 204,450</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	5,940	(8,925)		
Unencumbered Cash, Beginning	<u>9,635</u>	<u>15,575</u>		
Unencumbered Cash, Ending	<u>\$ 15,575</u>	<u>\$ 6,650</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**RECREATION COMMISSION EMPLOYEE BENEFITS 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)

	<u>2011</u>			<u>Variance Favorable (Unfavorable)</u>
	<u>2010 Actual</u>	<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts:</b>				
Taxes and Shared Revenue:				
Ad valorem property				
Prior year	\$ 496	\$ 746	\$ -	\$ 746
Current year	33,915	33,538	33,875	(337)
Delinquent tax	851	806	625	181
Motor vehicle tax	3,212	3,795	3,613	182
Recreational vehicle tax	49	58	55	3
In lieu of taxes - industrial revenue bonds	182	94	-	94
Total Cash Receipts	38,705	39,037	\$ 38,168	\$ 869
<b>Expenditures:</b>				
Appropriation to Recreation Commission	38,100	40,325	\$ 40,325	\$ -
Receipts Over (Under) Expenditures	605	(1,288)		
Unencumbered Cash, Beginning	1,952	2,557		
Unencumbered Cash, Ending	\$ 2,557	\$ 1,269		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**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)

	<u>2010 Actual</u>	<u>2011</u>		<u>Variance Favorable (Unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Cash Receipts:				
Transfer from General Fund	\$ 736,176	\$ 808,214	\$ 1,062,200	\$ (253,986)
Transfer from Supplemental General Fund	<u>363,746</u>	<u>242,813</u>	<u>52,170</u>	<u>190,643</u>
Total Cash Receipts	1,099,922	1,051,027	<u>\$ 1,114,370</u>	<u>\$ (63,343)</u>
Expenditures:				
Transfers to Special Education Cooperative	<u>971,308</u>	<u>1,048,374</u>	<u>\$ 1,300,000</u>	<u>\$ 251,626</u>
Receipts Over (Under) Expenditures	128,614	2,653		
Unencumbered Cash, Beginning	<u>378,733</u>	<u>507,347</u>		
Unencumbered Cash, Ending	<u>\$ 507,347</u>	<u>\$ 510,000</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**SPECIAL EDUCATION COOPERATIVE 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)

	<u>2011</u>			<b>Variance Favorable (Unfavorable)</b>
	<u>2010 Actual</u>	<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts:</b>				
Payments from other districts	\$ 1,312,153	\$ 1,343,602	\$ 1,345,360	\$ (1,758)
Federal aid	430,746	437,547	437,547	-
Federal aid - ARRA	211,003	211,003	211,003	-
Miscellaneous income	49,235	1,901	44,000	(42,099)
Medicaid reimbursement	92,282	136,419	90,000	46,419
Transfer from Special Education Fund	971,308	1,048,374	1,164,458	(116,084)
Miscellaneous reimbursements	23,418	20,834	22,000	(1,166)
<b>Total Cash Receipts</b>	<b>3,090,145</b>	<b>3,199,680</b>	<b>\$ 3,314,368</b>	<b>\$ (114,688)</b>
<b>Expenditures:</b>				
<b>Instruction -</b>				
Certified salaries	916,883	957,413	\$ 1,287,513	\$ 330,100
Certified salaries - ARRA	8,528	8,528	8,528	-
Non-certified salaries	817,091	801,023	937,202	136,179
Insurance	308,198	310,580	313,000	2,420
Social Security	134,030	135,722	143,000	7,278
Other employee benefits	14,850	15,149	27,700	12,551
Purchased professional services	45,250	52,938	47,000	(5,938)
Other purchased services	12,338	17,435	20,900	3,465
General teaching supplies	6,379	9,522	13,800	4,278
Textbooks	649	-	700	700
Miscellaneous supplies	-	-	2,000	2,000
Property and equipment	18,671	15,842	7,000	(8,842)
<b>Student Support Services -</b>				
Certified salaries	349,076	335,291	369,500	34,209
Insurance	45,834	49,853	45,900	(3,953)
Social Security	27,007	26,514	29,500	2,986
Other employee benefits	2,115	2,499	2,975	476
Purchased professional services	80,171	59,011	48,500	(10,511)
Supplies	2,642	3,266	6,000	2,734
<b>Special Area Administrative Services -</b>				
Certified salaries	100,016	102,388	102,000	(388)
Non-certified salaries	46,157	39,285	50,000	10,715

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

Unified School District Number 405  
Lyons, Kansas

SPECIAL REVENUE FUND

SPECIAL EDUCATION COOPERATIVE FUND (cont.)

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)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
Expenditures: (cont.)				
Special Area Administrative Services -				
Insurance	\$ 20,769	\$ 16,269	\$ 22,000	\$ 5,731
Social Security	11,346	11,053	13,000	1,947
Other employee benefits	3,727	2,443	5,000	2,557
Purchased professional services	2,500	2,750	3,000	250
Other purchased services	7,451	6,095	8,500	2,405
Supplies	502	457	1,000	543
Operations and Maintenance -				
Other employee benefits	433	-	500	500
Repairs and maintenance	4,937	525	5,500	4,975
Other	-	-	50	50
Other purchased services	1,199	230	1,750	1,520
Student Transportation Services -				
Supervision -				
Non-certified salaries	10,250	9,828	11,000	1,172
Insurance	1,799	2,609	3,000	391
Social Security	782	763	1,000	237
Other employee benefits	443	453	700	247
Vehicle Operating Services -				
Insurance	1,587	647	1,600	953
Motor fuel	7,584	3,878	8,000	4,122
Vehicle Services and Maintenance Services -				
Other purchased services	28,415	27,678	35,500	7,822
Legal Special Cooperative Fund Budget	3,039,609	3,027,937	3,583,818	555,881
Adjustment for Qualifying Budget Credits	-	-	20,834	20,834
Total Expenditures	<u>3,039,609</u>	<u>3,027,937</u>	<u>\$ 3,604,652</u>	<u>\$ 576,715</u>
Receipts Over (Under) Expenditures	50,536	171,743		
Unencumbered Cash, Beginning	<u>936,526</u>	<u>987,062</u>		
Unencumbered Cash, Ending	<u>\$ 987,062</u>	<u>\$ 1,158,805</u>		

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**SUMMER SCHOOL FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**For the Year Ended June 30, 2011**

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

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts:</b>				
Transfer from General Fund	\$ 10,000	\$ -	\$ -	\$ -
Transfer from Supplemental General Fund	-	9,133	-	9,133
<b>Total Cash Receipts</b>	<b>10,000</b>	<b>9,133</b>	<b>\$ -</b>	<b>\$ 9,133</b>
<b>Expenditures:</b>				
<b>Instruction -</b>				
Certified salaries	-	-	\$ 1,250	\$ 1,250
Non-certified salaries	-	-	2,000	2,000
Supplies	163	-	3,000	3,000
<b>School Administration -</b>				
Certified salaries	6,947	6,945	7,500	555
Non-certified salaries	2,063	1,528	3,558	2,030
Social Security	671	627	650	23
Other employee benefits	8	15	25	10
<b>Total Expenditures</b>	<b>9,852</b>	<b>9,115</b>	<b>\$ 17,983</b>	<b>\$ 8,868</b>
Receipts Over (Under) Expenditures	148	18		
Unencumbered Cash, Beginning	17,834	17,982		
Unencumbered Cash, Ending	\$ 17,982	\$ 18,000		

Unified School District Number 405  
Lyons, Kansas

SPECIAL REVENUE FUND

TECHNOLOGY REVOLVING 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)**

	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>
Cash Receipts:		
Rental fees and books	\$ 20,559	\$ 19,080
Expenditures:		
Instruction - Supplies	<u>5,796</u>	<u>20,977</u>
Receipts Over (Under) Expenditures	14,763	(1,897)
Unencumbered Cash, Beginning	<u>20,602</u>	<u>35,365</u>
Unencumbered Cash, Ending	<u>\$ 35,365</u>	<u>\$ 33,468</u>

Unified School District Number 405  
Lyons, Kansas

SPECIAL REVENUE FUND

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)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Transfer from General Fund	\$ 259,000	\$ 60,000	\$ 117,000	\$ (57,000)
Transfer from Supplemental General Fund	-	86,403	50,000	36,403
Total Cash Receipts	<u>259,000</u>	<u>146,403</u>	<u>\$ 167,000</u>	<u>\$ (20,597)</u>
Expenditures:				
Instruction -				
Certified salaries	113,602	105,615	\$ 157,218	\$ 51,603
Insurance	12,011	10,956	12,500	1,544
Social Security	8,722	8,109	12,750	4,641
Other employee benefits	3,114	720	3,310	2,590
Teaching supplies	6,327	171	7,750	7,579
Textbooks	919	-	2,000	2,000
Property and equipment	1,413	-	5,600	5,600
Other	-	-	15,000	15,000
Instructional Support Staff -				
Property and equipment	-	-	3,000	3,000
School Administration -				
Administrative Salaries	11,102	11,036	13,200	2,164
Insurance	1,520	1,670	2,000	330
Social Security	852	846	985	139
Other employee benefits	11	20	20	-
Total Expenditures	<u>159,593</u>	<u>139,143</u>	<u>\$ 235,333</u>	<u>\$ 96,190</u>
Receipts Over (Under) Expenditures	99,407	7,260		
Unencumbered Cash, Beginning	<u>68,333</u>	<u>167,740</u>		
Unencumbered Cash, Ending	<u>\$ 167,740</u>	<u>\$ 175,000</u>		

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

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**VIRTUAL 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)**

	2011			Variance Favorable (Unfavorable)
	2010 Actual	Actual	Budget	
Cash Receipts:				
Transfer from General Fund	\$ 14,443	\$ -	\$ 50,000	\$ (50,000)
Expenditures:				
Instruction -				
Certified salaries	6,116	-	\$ 49,000	\$ 49,000
Social Security	468	-	-	-
Other employee benefits	6	-	-	-
Supplies	-	-	7,627	7,627
General Administration -				
Certified salaries	1,139	-	-	-
Social Security	87	-	-	-
Total Expenditures	7,816	-	\$ 56,627	\$ 56,627
Receipts Over (Under) Expenditures	6,627	-		
Unencumbered Cash, Beginning	-	6,627		
Unencumbered Cash, Ending	\$ 6,627	\$ 6,627		

Unified School District Number 405  
Lyons, Kansas

SPECIAL REVENUE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended June 30, 2011

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

	2010		2011		Variance Favorable (Unfavorable)
	Actual	Actual	Budget	Budget	
Cash Receipts:					
State Sources - KPERS	\$ 254,515	\$ 718,204	\$ 651,852	\$ 66,352	
Expenditures:					
Employee Benefits -					
Instruction	338,963	293,304	\$ 426,053	\$ 132,749	
Student Support	36,504	31,587	45,802	14,215	
Instructional Support	20,859	18,049	28,972	10,923	
General Administration	26,074	22,562	35,215	12,653	
School Administration	31,289	27,074	40,459	13,385	
Other Supplemental Services	10,430	9,025	10,543	1,518	
Operations & Maintenance	31,289	27,074	36,972	9,898	
Student Transportation Services	10,430	9,025	10,243	1,218	
Food Service	15,644	13,537	17,593	4,056	
Total Expenditures	521,482	451,237	\$ 651,852	\$ 200,615	
Receipts Over (Under) Expenditures	(266,967)	266,967			
Unencumbered Cash, Beginning	-	(266,967)			
Unencumbered Cash, Ending	\$ (266,967)	\$ -			

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**CARL PERKINS CONSORTIUM FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Federal aid	\$ 3,493	\$ 3,500
Expenditures:		
Instruction -		
Certified salaries	680	-
Staff travel	813	1,539
Property and equipment	2,000	1,961
Total Expenditures	<u>3,493</u>	<u>3,500</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**CONTINGENCY RESERVE FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Transfer from General Fund	\$ 211,259	\$ -
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	211,259	-
Unencumbered Cash, Beginning	<u>415,494</u>	<u>626,753</u>
Unencumbered Cash, Ending	<u>\$ 626,753</u>	<u>\$ 626,753</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**TITLE IV - DRUG FREE SCHOOLS FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**

**For the Year Ended June 30, 2011**

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

	<b><u>2010 Actual</u></b>	<b><u>2011 Actual</u></b>
Cash Receipts:		
Federal aid	\$ 4,578	\$ -
Expenditures:		
Instruction -		
Purchased property services	1,531	-
Other purchased services	2,297	-
Supplies	750	-
Total Expenditures	<u>4,578</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**TITLE I FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**For the Year Ended June 30, 2011**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

	<b>2010 Actual</b>	<b>2011 Actual</b>
Cash Receipts:		
Federal aid	\$ 239,763	\$ 227,588
Federal aid - ARRA	70,927	77,427
	310,690	305,015
Total Receipts		
Expenditures:		
Instruction -		
Certified salaries	200,656	189,316
Certified salaries - ARRA	48,645	48,559
Other employee benefits	27,458	37,756
Other employee benefits - ARRA	6,819	815
Purchased professional services - ARRA	1,578	3,905
Supplies	11,148	-
Supplies - ARRA	641	-
Property and Equipment ARRA	19,424	23,969
Other	500	516
Other - ARRA	321	179
	317,190	305,015
Total Expenditures		
Receipts Over (Under) Expenditures	(6,500)	-
Unencumbered Cash, Beginning	6,500	-
Unencumbered Cash, Ending	\$ -	\$ -

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**TITLE II-A TEACHER QUALITY FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**

For the Year Ended June 30, 2011

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

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Federal aid	\$ 41,023	\$ 40,555
Miscellaneous reimbursements	678	152
	<u>41,701</u>	<u>40,707</u>
Total Receipts		
Expenditures:		
Instruction -		
Salaries	11,849	5,377
Social Security	1,051	-
Other employee benefits	13	-
Purchased professional services	26,868	32,829
Supplies	1,920	2,501
	<u>41,701</u>	<u>40,707</u>
Total Expenditures		
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**TITLE VI-B DISCRETIONARY FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**

**For the Year Ended June 30, 2011**

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

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Federal aid	\$ 20,783	\$ 22,084
Miscellaneous reimbursement	-	461
	<hr/>	<hr/>
Total Receipts	20,783	22,545
	<hr/>	<hr/>
Expenditures:		
Instruction -		
Certified salaries	10,332	13,084
Purchased professional services	2,570	1,248
Teaching supplies	4,700	3,713
Property and equipment	3,181	2,500
Other	-	2,000
	<hr/>	<hr/>
Total Expenditures	20,783	22,545
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<hr/>	<hr/>
	-	-
Unencumbered Cash, Ending	<hr/>	<hr/>
	\$ -	\$ -

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**TITLE II-D EDUCATION TECHNOLOGY FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**

For the Year Ended June 30, 2011

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

	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>
Cash Receipts:		
Federal aid	\$ 2,118	\$ 770
Federal aid - ARRA	<u>2,605</u>	<u>2,605</u>
Total Receipts	<u>4,723</u>	<u>3,375</u>
Expenditures:		
Instruction -		
Purchased professional services - ARRA	2,605	2,605
Other purchased services	<u>2,118</u>	<u>770</u>
Total Expenditures	<u>4,723</u>	<u>3,375</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**OTHER FEDERAL FUNDS FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**For the Year Ended June 30, 2011**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Federal aid	\$ 13,710	\$ 19,253
Expenditures:		
Instruction -		
Purchased professional and technical services	231	1,250
Supplies	13,479	18,003
Total Expenditures	<u>13,710</u>	<u>19,253</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**SMART START GRANT FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Miscellaneous income	\$ 7,415	\$ -
Expenditures:		
Student Support Service -		
Purchased professional and technical services	6,568	-
Other purchased services	847	-
Total Expenditures	<u>7,415</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**GIFTS AND GRANTS FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**For the Year Ended June 30, 2011**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Miscellaneous reimbursements	\$ 2,920	\$ 11,715
Expenditures:		
Instruction - Supplies	<u>5,257</u>	<u>8,328</u>
Receipts Over (Under) Expenditures	(2,337)	3,387
Unencumbered Cash, Beginning	<u>4,789</u>	<u>2,452</u>
Unencumbered Cash, Ending	<u>\$ 2,452</u>	<u>\$ 5,839</u>

**Unified School District Number 405  
Lyons, Kansas**

**SPECIAL REVENUE FUND**

**FATHERHOOD GRANT FUND**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**For the Year Ended June 30, 2011**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

	<u>2010 Actual</u>	<u>2011 Actual</u>
Cash Receipts:		
Grant	\$ 37,500	\$ 62,500
Miscellaneous reimbursements	-	275
	<u>37,500</u>	<u>62,775</u>
Total Cash Receipts		
Expenditures:		
Student Support Services		
Certified salaries	13,570	24,588
Insurance	-	3,400
Social Security	835	1,448
Other employee benefits	11	35
Other purchased services	1,785	2,735
Supplies	5,491	21,237
Other	14,955	17,784
	<u>36,647</u>	<u>71,227</u>
Total Expenditures		
Receipts Over (Under) Expenditures	853	(8,452)
Unencumbered Cash, Beginning	<u>7,599</u>	<u>8,452</u>
Unencumbered Cash, Ending	<u>\$ 8,452</u>	<u>\$ -</u>

Unified School District Number 405  
Lyons, Kansas

DEBT SERVICE FUND

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)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes and Shared Revenue:				
Ad valorem property				
Prior year	\$ 3,473	\$ 5,222	\$ 3,568	\$ 1,654
Current year	237,471	235,199	233,862	1,337
Delinquent tax	6,637	6,316	4,374	1,942
Motor vehicle tax	22,512	26,575	25,339	1,236
Recreational vehicle tax	346	409	390	19
In lieu of taxes - industrial revenue bonds	1,266	663	-	663
State aid	158,709	163,043	163,043	-
Total Cash Receipts	<u>430,421</u>	<u>437,427</u>	<u>\$ 430,576</u>	<u>\$ 6,851</u>
Expenditures:				
Interest	166,945	154,060	\$ 154,161	\$ 101
Principal	<u>240,000</u>	<u>275,000</u>	<u>275,000</u>	<u>-</u>
Total Expenditures	<u>406,945</u>	<u>429,060</u>	<u>\$ 429,161</u>	<u>\$ 101</u>
Receipts Over (Under) Expenditures	23,476	8,367		
Unencumbered Cash, Beginning	<u>259,197</u>	<u>282,673</u>		
Unencumbered Cash, Ending	<u>\$ 282,673</u>	<u>\$ 291,040</u>		

**Unified School District Number 405  
Lyons, Kansas**

**PRIVATE PURPOSE TRUST FUNDS**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**

For the Year Ended June 30, 2011

	<u>John Lawrence</u>	<u>Needy Children</u>	<u>Total (Memo Only)</u>
Cash Receipts:			
Contributions	\$ -	\$ 850	\$ 850
Interest	<u>2</u>	<u>-</u>	<u>2</u>
Total Cash Receipts	2	850	852
Expenditures:			
Other	<u>-</u>	<u>335</u>	<u>335</u>
Receipts Over (Under) Expenditures	2	515	517
Unencumbered Cash, Beginning	<u>823</u>	<u>3,040</u>	<u>3,863</u>
Unencumbered Cash, Ending	<u>\$ 825</u>	<u>\$ 3,555</u>	<u>\$ 4,380</u>

**Unified School District Number 405  
Lyons, Kansas**

**AGENCY FUNDS**

**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**

For the Year Ended June 30, 2011

	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Health Insurance	\$ 50,088	\$ 2,086	\$ -	\$ 52,174
High School Activity Fund Sales Tax	425	6,488	6,363	550
 Total Agency Funds	 <u>\$ 50,513</u>	 <u>\$ 8,574</u>	 <u>\$ 6,363</u>	 <u>\$ 52,724</u>

**Unified School District Number 405  
Lyons, Kansas**

**STUDENT ORGANIZATION FUNDS**

**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**

**For the Year Ended June 30, 2011**

	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Middle School -				
Builders Club	\$ 942	\$ 1,607	\$ 1,256	\$ 1,293
Cheerleaders	410	2,467	2,849	28
DFYIT	200	-	14	186
FACS	77	-	19	58
Scholar's Bowl	170	250	215	205
Student Council	168	2,220	1,450	938
High School -				
Art Club	80	-	-	80
Class of 2010	206	-	2	204
Class of 2011	290	1,993	1,995	288
Class of 2012	2,017	3,093	4,675	435
Class of 2013	568	881	64	1,385
Class of 2014	-	578	192	386
Family Career & Community	262	5,237	4,882	617
Foreign Language Club	120	126	27	219
Letterman Club	2,615	-	784	1,831
National Honor Society Club	824	1,530	1,415	939
ROTC Student	1,089	10,173	11,262	-
Scholar's Bowl	290	210	342	158
Student Council	1,416	4,562	5,074	904
<b>Total Student Organization Funds</b>	<b>\$ 11,744</b>	<b>\$ 34,927</b>	<b>\$ 36,517</b>	<b>\$ 10,154</b>

**Unified School District Number 405  
Lyons, Kansas**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
For the Year Ended June 30, 2011**

**GATE RECEIPTS FUNDS**

	<b>Beginning Unencumbered Cash Balance</b>	<b>Cash Receipts</b>	<b>Expenditures</b>	<b>Ending Unencumbered Cash Balance</b>	<b>Add Outstanding Encumbrances and Accounts Payable</b>	<b>Ending Cash Balance</b>
Middle School - Athletics	\$ 672	\$ 9,213	\$ 9,090	\$ 795	\$ -	\$ 795
High School - Athletics	-	78,726	78,726	-	12,896	12,896
<b>Total Gate Receipts</b>	<b>\$ 672</b>	<b>\$ 87,939</b>	<b>\$ 87,816</b>	<b>\$ 795</b>	<b>\$ 12,896</b>	<b>\$ 13,691</b>

**SCHOOL PROJECT FUNDS**

	<b>Beginning Unencumbered Cash Balance</b>	<b>Cash Receipts</b>	<b>Expenditures</b>	<b>Ending Unencumbered Cash Balance</b>	<b>Add Outstanding Encumbrances and Accounts Payable</b>	<b>Ending Cash Balance</b>
Central Elementary School - Student Project	\$ 1,675	\$ 2,790	\$ 3,007	\$ 1,458	\$ -	\$ 1,458
Park Elementary School - Student Project	4,934	5,758	4,800	5,892	-	5,892
Middle School - Library	90	1,297	1,369	18	-	18
Student Assistance	1,748	1,554	1,843	1,459	-	1,459
Yearbook	2,160	2,717	2,245	2,632	-	2,632
High School - AFROTC Reimbursable	1,188	3,954	5,142	-	-	-
Band Trip	1,391	11,559	7,180	5,770	-	5,770
Baseball Student Projects	30	618	648	-	-	-
Boys Basketball Uniforms	4,020	2,355	4,328	2,047	-	2,047
Boys Golf	10	-	-	10	-	10
Cheerleader Uniforms	939	5,722	5,106	1,555	628	2,183
Cross Country	11	-	-	11	-	11
Football	1,518	3,324	4,842	0	-	0
Girls Basketball Student Project	522	2,227	2,600	149	-	149
National Forensics	1,991	5,765	6,806	950	-	950
Photography	772	89	640	221	-	221
Science/Sci. Olympiad	486	125	413	198	-	198
Softball Student Project	975	1,675	1,997	653	-	653
Special Education Student Projects	524	798	327	995	-	995
Special Olympics	400	-	-	400	-	400
Track Student Project	93	489	333	249	-	249
Video Production	595	362	177	780	-	780
Vocal Music	2,975	2,955	1,752	4,178	-	4,178
Volleyball Student Projects	1,093	-	642	451	-	451
Wrestling Student Project	448	392	415	425	-	425
Yearbook	3,442	11,051	12,674	1,819	-	1,819
<b>Total School Projects</b>	<b>\$ 34,030</b>	<b>\$ 67,576</b>	<b>\$ 69,286</b>	<b>\$ 32,320</b>	<b>\$ 628</b>	<b>\$ 32,948</b>

UNIFIED SCHOOL DISTRICT NUMBER 405

LYONS, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**(a) Reporting Entity**

Unified School District Number 405 is a municipal corporation governed by an elected seven-member board. These financial statements present Unified School District Number 405 (the primary government). There were no component units in the year ended June 30, 2011.

**(b) Reimbursed Expenses**

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements to revenue of that fund. For purposes of budgetary comparisons, the expenditures are properly reflected as offset by the reimbursements. Expenditures for the year ended June 30, 2011, in the amount of \$94,384, \$9,373, \$124,964, \$4,270, \$2,160, and \$20,834 are classified as reimbursed expenses in the General Fund, Supplemental General Fund, Capital Outlay Fund, Food Service Fund, Professional Development Fund, and Special Education Cooperative Fund, respectively. These expenditures are for general purposes and are exempt from the budget law under K.S.A. 72-5390.

**(c) Basis of Presentation - Fund Accounting**

The accounts of the District are organized on the basis of funds each of which is considered to be a separate accounting entity. The operations of each fund are accounted for separately. Funds are classified into two categories: Governmental and Fiduciary. Within each of these two categories there are one or more fund types. The District uses the following fund types:

**Governmental Fund Types**

General Fund--The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Special Revenue Funds--Special Revenue Funds are used to account for the collection and disbursement of monies earmarked for a special purpose.

Debt Service Fund--Debt Service Funds are used to account for the servicing of general long-term debt such as general obligation bonds.

**Fiduciary Fund Types**

This fund type accounts for assets held by the District as a trustee or agent for others and therefore cannot be used to support the District's own programs.

Private Purpose Trust Funds—These funds are used to report all trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

**(d) 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 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.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

### **(d) Statutory Basis of Accounting (cont.)**

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 account principles and allowing the District to use the statutory basis of accounting.

### **(e) Departure from Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid 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 accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes and compensated absences are not presented in the financial statements.

### **(f) Budget and Tax Cycle**

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), 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 budget for the succeeding calendar year on or before August 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments made for the current 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 Projects Fund, Fiduciary and Permanent Funds and the following Special Revenue Funds: Technology Revolving, Carl Perkins Consortium, Contingency Reserve, Title I, Title II-A Teacher Quality, Title VI-B Discretionary, Title II-D Education Technology, Other Federal Funds, Smart Start Grant Fund, Gifts and Grants Fund, Fatherhood Grant Fund, Gate Receipts and School Projects.

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

## 2. 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 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 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. All deposits were legally secured at June 30, 2011.

### Deposits

At year end the carrying amount of the District's deposits, including certificates of deposit, was \$4,573,467. The bank balance was \$5,463,593. The bank balance was held by three banks resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$339,385 was covered by FDIC insurance and the remaining \$5,124,208 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name under joint custody arrangements or by letters of credit. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party agreement signed by all three parties: The District, the pledging bank, and the independent third-party bank holding the pledged securities.

## 3. LONG-TERM DEBT

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

### STATEMENT OF CHANGES IN LONG TERM DEBT For the Year Ended June 30, 2011

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Refund Bonds: Series 2005	3.00% to 5.00%	07-1-05	\$ 3,985,000	10-1-20	\$3,850,000	\$ -	\$ 275,000	\$ (275,000)	\$3,575,000	\$154,060
Capital Lease: Technology Lease	2.97%	04-11-11	\$ 272,082	01-15-13	-	272,082	135,008	137,074	137,074	5,418
Total Contractual Indebtedness					3,850,000	272,082	410,008	(137,926)	3,712,074	159,478
Compensated Absences	N/A	N/A	N/A	N/A	27,881	3,864	-	3,864	31,745	-
Total Long-Term Debt					<u>\$3,877,881</u>	<u>\$ 275,946</u>	<u>\$ 410,008</u>	<u>\$ (134,062)</u>	<u>\$3,743,819</u>	<u>\$159,478</u>

### 3. LONG-TERM DEBT (cont.)

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

	Year						Total
	2012	2013	2014	2015	2016	2017-2021	
Principal:							
General Obligation Bonds:							
Series 2005	\$ 280,000	\$ 300,000	\$ 325,000	\$ 350,000	\$ 375,000	\$ 1,945,000	\$ 3,575,000
Capital Leases:							
Technology Lease	-	137,074	-	-	-	-	137,074
<b>Total Principal</b>	<b>280,000</b>	<b>437,074</b>	<b>325,000</b>	<b>350,000</b>	<b>375,000</b>	<b>1,945,000</b>	<b>3,712,074</b>
Interest:							
General Obligation Bonds:							
Series 2005	143,985	130,535	114,910	98,035	82,535	181,263	751,263
Capital Lease:							
Technology Lease	-	3,351	-	-	-	-	3,351
<b>Total Interest</b>	<b>143,985</b>	<b>133,886</b>	<b>114,910</b>	<b>98,035</b>	<b>82,535</b>	<b>181,263</b>	<b>754,614</b>
<b>Total Principal and Interest</b>	<b>\$ 423,985</b>	<b>\$ 570,960</b>	<b>\$ 439,910</b>	<b>\$ 448,035</b>	<b>\$ 457,535</b>	<b>\$ 2,126,263</b>	<b>\$ 4,466,688</b>

### 4. INTERFUND TRANSACTIONS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Capital Outlay	K.S.A. 72-6428	\$ 163,449
General Fund	Driver Training	K.S.A. 72-6428	932
General Fund	Parent Education	K.S.A. 72-6428	16,748
General Fund	Special Education	K.S.A. 72-6428	808,214
General Fund	Vocational Education	K.S.A. 72-6428	60,000
General Fund	At Risk (K-12)	K.S.A. 72-6428	1,480,577
Supplemental General	Bilingual Education	K.S.A. 72-6433	203,267
Supplemental General	Special Education	K.S.A. 72-6433	242,813
Supplemental General	Professional Development	K.S.A. 72-6433	25,895
Supplemental General	Summer School	K.S.A. 72-6433	9,133
Supplemental General	Vocational Education	K.S.A. 72-6433	86,403
Supplemental General	At Risk (4 year old)	K.S.A. 72-6433	467
Supplemental General	At Risk (K-12)	K.S.A. 72-6433	397,015
Special Education	Special Education Coop	K.S.A. 72-6420	1,048,374

### 5. RELATED PARTY TRANSACTIONS

Unified School District Number 405 is the taxing authority for the Lyons Recreation Commission. During the fiscal year ended June 30, 2011, the District levied a total tax of 6.00 mills for the Recreation Commission and the Recreation Commission Employee Benefits Fund, which is in turn appropriated to the Lyons Recreation Commission for its operations. Also, there is an informal agreement between the District and the Recreation Commission for use of District facilities when they are not otherwise being used by the District.

**6. 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.

**STATUTORY REVENUES AND EXPENDITURES - STATUTORY AND BUDGET**

**For the Year Ended June 30, 2011**

**GENERAL FUND**

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Statutory Revenues</b>			
General Property Taxes			
Ad Valorem Property			
Prior Year	\$ 11,226	\$ 2,950	\$ 8,276
Current Year	609,445	602,825	6,620
Delinquent Tax	13,387	11,245	2,142
In Lieu of Taxes - IRB	1,890	-	1,890
Mineral Production Tax	774	500	274
State Aid	4,412,978	5,124,216	(711,238)
Special Education State Aid	808,214	1,025,000	(216,786)
Federal Aid - ARRA	111,036	111,036	-
Federal Aid - Education Jobs	194,424	194,424	-
Miscellaneous reimbursements	94,384	-	94,384
Total Statutory Revenues	<u>6,257,758</u>	<u>\$ 7,072,196</u>	<u>\$ (814,438)</u>
<b>Expenditures</b>			
Instruction	1,941,993	\$ 1,673,358	\$ (268,635)
Student Support Services	105,086	140,605	35,519
Instructional Support Staff	225,582	291,501	65,919
General Administration	220,018	288,005	67,987
School Administration	412,832	541,855	129,023
Operations & Maintenance	595,151	716,620	121,469
Transportation Services - Vehicle Operating Services	82,485	99,075	16,590
Transportation Services - Vehicle & Maintenance Services	41,347	37,350	(3,997)
Other Student Transportation Services	31,234	35,995	4,761
Other Supplemental Services	72,111	83,325	11,214
Outgoing Transfers	2,529,919	2,970,083	440,164
Adjustment to Comply with Legal Max	-	(714,398)	(714,398)
Legal General Fund Budget	6,257,758	6,163,374	(94,384)
Adjustment for qualifying budget credits	-	94,384	94,384
Total Expenditures	<u>6,257,758</u>	<u>\$ 6,257,758</u>	<u>\$ -</u>
Statutory Revenues Over (Under) Expenditures	-		
Modified Unencumbered Cash, June 30, 2010	-		
Modified Unencumbered Cash, June 30, 2011	<u>\$ -</u>		

**6. COMPLIANCE WITH K.S.A. 72-6417(d) AND K.S.A 72-6434(d) (cont.)**

**STATUTORY REVENUES AND EXPENDITURES - STATUTORY AND BUDGET**

**For the Year Ended June 30, 2011**

**SUPPLEMENTAL GENERAL FUND**

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
Statutory Revenues			
General Property Taxes			
Ad Valorem Property			
Prior Year	\$ 16,344	\$ 11,170	\$ 5,174
Current Year	735,181	706,339	28,842
Delinquent Tax	18,818	13,690	5,128
Motor Vehicle Tax	82,399	78,614	3,785
In Lieu of Taxes - IRB	2,073	-	2,073
State Aid	904,428	907,387	(2,959)
Miscellaneous reimbursements	9,373	-	9,373
	<u>1,768,616</u>	<u>\$ 1,717,200</u>	<u>\$ 51,416</u>
Total Statutory Revenues			
Expenditures			
Instruction	470,355	848,930	378,575
Student Support Services	10,696	13,335	2,639
Instructional Support Staff	36,217	65,100	28,883
General Administration	54,867	53,875	(992)
School Administration	48,390	46,125	(2,265)
Operations & Maintenance	189,997	266,756	76,759
Student Transportation Services	2,143	4,135	1,992
Other Student Transportation Services	2,200	3,000	800
Other Supplemental Services	19,516	18,550	(966)
Outgoing Transfers	964,992	470,194	(494,798)
	<u>1,799,373</u>	<u>1,790,000</u>	<u>(9,373)</u>
Legal General Fund Budget			
Adjustment for qualifying budget credits	-	9,373	9,373
	<u>1,799,373</u>	<u>\$ 1,799,373</u>	<u>\$ -</u>
Total Expenditures			
Statutory Revenues Over (Under) Expenditures	(30,757)		
Modified Unencumbered Cash, June 30, 2010	<u>72,800</u>		
Modified Unencumbered Cash, June 30, 2011	<u>\$ 42,043</u>		

## 7. PENSION COSTS AND EMPLOYEE BENEFITS

### Defined Benefit Pension Plan

**Plan Description.** The District contributes to Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas Avenue, Topeka, KS 66603) 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. 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. State law sets a limitation on annual increases in the contribution rates. For fiscal year 2011, the State of Kansas contributed 9.17% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010, and 2009 were \$188,864,352 received as of June 30, 2011, (with the remaining balance due from the state of \$64,969,692, received by July 12, 2011), \$140,318,394 received as of June 30, 2010, (with the remaining balance due from the state of \$108,149,792, received by July 9, 2010), and \$242,277,363, respectively, equal to the statutory required contributions for each year.

## 8. LEAVE POLICIES

Temporary leave for teachers is granted at the rate of thirteen days per year. Upon completion of a contract year, a request may be submitted to the District for reimbursement for the number of temporary leave days granted for the current school year which have not been used. The total reimbursement for all teachers may not exceed \$40,000. Temporary leave for classified employees is at the rate of one day per month of contract and a maximum of twelve days may be bought back per year for \$35.00 per day for days over 60 accumulative days. Vacation is accrued as follows: 3.34 hours per month for the first year of service; 6.67 hours per month for two to ten years of service; 10 hours per month for eleven to twenty years of service; and 13.34 hours per month for more than 21 years of service. Upon termination, no employees are paid for unused sick leave. Vacation leave is required to be used by October 1 of the next fiscal year or benefit is lost.

Principals are given 20 vacation days to accumulate to 40 after the first year of service. They are given an option of being paid 80% of the daily rate for up to 10 days annually. Days in excess of 40 will be forfeited.

The Superintendent is given 20 vacation days to accumulate to 40 after the first year of service. Unused days will be paid at a rate of 80% of the daily rate for up to 10 days annually. Days in excess of 40 will be forfeited.

## 9. EARLY RETIREMENT INCENTIVE

The District provides an early retirement program for certain eligible employees. Employees are eligible if they are currently certified or classified employees of the District, eligible for full KPERS early retirement benefits, and have a minimum of twelve (12) years (for certified employees) or fifteen (15) years (for classified employees) of employment with USD 405. If the employee applying for early retirement is over sixty-five (65) years old, they are eligible for the temporary leave buy out provisions of the early retirement program. Those eligible under this program may receive benefits for up to five (5) years or until age 65.

Payments to retired employees under this plan were \$20,263 for the year ended June 30, 2011.

## **10. 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.

## **11. CLAIMS AND JUDGMENTS**

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of October 10, 2011, grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

The District is exposed to various risks of loss related to property loss, torts, and errors and omissions. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from fiscal year end June 30, 2010 to fiscal year end June 30, 2011, and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations, the District is exposed to various claims, legal actions and complaints. It is of the opinion of the District's management and legal counsel that any current matters are not anticipated to have a material impact on the District.

## **12. SUBSEQUENT EVENTS**

Management has evaluated the effects on the financial statements of subsequent events occurring through October 14, 2011 which is the date at which the financial statements were available to be issued.

**UNIFIED SCHOOL DISTRICT NUMBER 405  
LYONS, KANSAS**

**ADDITIONAL INFORMATION**

**FISCAL YEAR ENDED JUNE 30, 2011**

**Unified School District Number 405  
Lyons, Kansas**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2011

<u>Pass-Through Grantor/ Federal Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Passed through Kansas Department of Education			
School Breakfast Program	10.553	DO405	\$ 59,913
National School Lunch Program	10.555	DO405	242,415
Summer Reimbursement	10.559	DO405	8,897
Child and Adult Care Food Program	10.558	DO405	5,656
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>316,881</b>
<u>U.S. Department of Education</u>			
Passed through Kansas Department of Education			
Title I Grants to Local Educational Agencies	84.010	DO405	227,588
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	DO405	77,427
Title I, Part C - Carl Perkins Vocational Education	84.048	DO405	3,500
Title II-A - Improving Teacher Quality	84.367	DO405	40,555
Title II-D - Technology Literacy Challenge	84.318	DO405	770
ARRA - Title II-D - Education Technology State Grants, Recovery Act	84.386	DO405	2,605
Title III, Part A English Language Acquisition	84.365	DO405	19,253
Special Education - Grants to States - IDEA Part B	84.027	DO405	413,347
Special Education - Discretionary Spending Projects	84.027	DO405	22,084
Special Education - Preschool Grants	84.173	DO405	24,200
ARRA - Special Education Grants to States, Recovery Act IDEA Part B	84.391	DO405	202,475
ARRA - Title VIB - Special Education - Preschool Grants, Recovery Act	84.392	DO405	8,528
ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	84.394	DO405	111,036
Education Jobs Fund	84.410	DO405	194,424
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>1,347,792</b>
<u>U.S. Department of Health and Human Services</u>			
Passed through Circle of Parents, Inc.			
Healthy Marriage Promotion and Responsible Fatherhood Grant	93.086	90FR0098	62,500
<b>TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 1,727,173</b>

## NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District Number 405, Lyons, Kansas, and is presented using the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, the same as the financial statements accompanying this schedule.

**UNIFIED SCHOOL DISTRICT NUMBER 405  
LYONS, KANSAS**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended June 30, 2011**

**FINDINGS AND QUESTIONED COSTS- MAJOR FEDERAL AWARD PROGRAMS AUDIT**

U.S. DEPARTMENT OF AGRICULTURE

Child Nutrition Cluster CFDA Number 10.553, 10.555, & 10.559

NONE

U.S. DEPARTMENT OF EDUCATION

ARRA – State Fiscal Stabilization Fund – Education State Grants, Recovery Act CFDA Number 84.394

NONE

Special Education Cluster CFDA Number 84.027, 84.173, 84.391 & 84.392

NONE

Title I, Part A Cluster CFDA Number 84.010 & 84.389

NONE

UNIFIED SCHOOL DISTRICT NUMBER 405  
LYONS, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2010

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Unified School District Number 405.
2. Significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Unified School District Number 405, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs were reported in the Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs expressed an unqualified opinion.
6. There were no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.

7. The programs tested as a major program included:

	<u>CFDA No.</u>
Title I, Part A Cluster:	
Title I, Part A	84.010
ARRA – Title I, Part A	84.389
Special Education Cluster (IDEA):	
Special Education – Grants to States	84.027
ARRA – Special Education – Grants to States	84.391
Special Education – Preschool Grants	84.173
ARRA – Special Education – Preschool Grants	84.392
Education Jobs Fund	84.010

8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Unified School District Number 405 was not a low-risk auditee.

## B. FINDINGS - FINANCIAL STATEMENTS AUDIT

### SIGNIFICANT DEFICIENCY

**Number 11-01            Lack of Segregation of Duties**

Condition:            Appropriate segregation of duties is achieved when one or more employees or functions acts as a check and balance on the activities of another so that no employee should be in a position to both commit an irregularity and conceal it.

Due to resource constraints, these conflicting phases of transactions potentially occur throughout your entity at various times throughout the fiscal year. We considered this lack of segregation of duties to be a significant deficiency under standards established by the American Institute of Certified Public Accountants.

Criteria:            The segregation of incompatible duties means that no employee should be in a position to both commit an irregularity and conceal it. An Elected Official's Guide to Internal Controls and Fraud Prevention states that "ideally, no single individual should be able to:

- a)        *authorize* a transaction;
- b)        *record* the transaction in the books of account; and
- c)        *ensure* custody of the asset resulting from the transaction."

In a smaller entity setting, it is very difficult to maintain ideal segregation of duties. We consider this lack of segregation of duties to be a significant deficiency under standards established by the American Institute of Certified Public Accountants.

Effect:            Lack of segregation of duties aids in the possibility that errors and irregularities whether caused by fraud or human error will not be detected.

Cause:            Due to the limited staff in the District, segregation of duties has not been possible as required in an ideal internal control structure. At this time, we feel it would be cost prohibitive to increase staff in the District offices sufficiently to rectify this situation. Current office staff and the Board should however, continually review the opportunity to implement segregation of duties that will enhance the internal control structure at a minimal cost to the District.

Recommendation:        We recommend that the office staff continually review their procedures for opportunities to increase the segregation of duties in the office as well as the overall internal controls and oversight over the accounting functions in the office. We recommend the Board be aware of the importance of segregating the office duties in order to maintain a good internal control structure that will aid in the prevention and detection of errors and irregularities whether caused by fraud or human error.

Within the constraints of available resources, management should attempt to logically segregate duties among people or processes to mitigate risks and meet their financial reporting objectives.

**Number 11-02                      Financial Statement Reporting**

**Condition:**                      Our firm has been asked to prepare the financial statements for the District; however, our firm cannot be considered part of the internal control structure of the District in regard to the preparation of the financial statements.

**Criteria:**                      The District prepares its financial statements in accordance 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, in accordance with the reporting and formatting requirements displayed in the *Kansas Municipal Audit Guide (KMAG)*.

**Effect:**                      We consider this condition related to external financial statements and other supplemental information preparation to be a significant deficiency under the standards established by the American Institute of Certified Public Accountants.

**Cause:**                      District personnel do have the skill and knowledge to process all the basic financial transactions and the ability to issue the internal financial statements needed to provide appropriate budget and operating information to the District governing body on an as needed basis. However, the District either has no documented policy or procedures related to the preparation of the external financial statements and other supplemental information and/or the policies and procedures are not implemented and adequately followed to ensure the accuracy and completeness of the external financial statements and other supplemental information.

**Recommendation:**            To strengthen internal control over financial statement preparation, we recommend:

- a) Obtain a current copy of the Kansas Municipal Audit Guide (KMAG);
- b) Obtain a report check list for KMAG financial statements;
- c) Participate in a training session on financial statement preparation and review; and
- d) Adopt a policy that annual financial statements will be reviewed prior to being subjected to audit.

**C. FINDINGS AND QUESTIONED COSTS- MAJOR FEDERAL AWARD PROGRAMS AUDIT**

U.S. DEPARTMENT OF EDUCATION

Education Jobs Fund – CFDA Number 84.410

NONE

Special Education Cluster CFDA Number 84.027, 84.173, 84.391 & 84.392

NONE

Title I, Part A Cluster CFDA Number 84.010 & 84.389

NONE

See Accompanying Independent Auditor's Report.