

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Primary Government Financial Statements  
With Independent Auditors' Report

For the Year Ended June 30, 2011

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
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 For the Year Ended June 30, 2011

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Certified  
Public  
Accountants

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
**Unified School District No. 489 Hays, Kansas**  
Hays, Kansas

We have audited the accompanying primary government financial statements of **Unified School District No. 489 Hays, Kansas**, as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of **Unified School District No. 489 Hays, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

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

The financial statements do not include financial data for the District's legally separate component unit, Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence. Accounting principles generally accepted in the United States of America require the financial data for this component unit to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component unit. The District has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the cash and unencumbered cash balances of the aggregate discretely presented component unit would have been reported as \$270,111 for Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence.

As described more fully in Note 1, **Unified School District No. 489 Hays, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, whose practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters discussed in the preceding two paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Unified School District No. 489 Hays, Kansas**, as of June 30, 2011, or the changes in its financial position for the year then ended. Further, **Unified School District No. 489 Hays, Kansas** has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **Unified School District No. 489 Hays, Kansas**, as of June 30, 2011, and their respective cash receipts and disbursements and budgetary results for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2011, on our consideration of **Unified School District No. 489 Hays, Kansas**' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 opinions on the financial statements that collectively comprise **Unified School District No. 489 Hays, Kansas**' financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and is derived from and relates directly to the underlying accounting and other 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 to 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 as a whole.

*Adams, Brown, Beran & Ball*

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

December 12, 2011

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
 Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
 For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Fund Categories</b>							
<b>General Funds</b>							
General Fund	\$ 178	-	19,722,481	19,722,659	-	18,388	18,388
Supplemental General Fund	111,363	-	6,422,919	6,012,831	521,451	-	521,451
<b>Special Revenue Funds</b>							
Adult Education Fund	451	-	300	-	751	-	751
At Risk (4 Year Old) Fund	-	-	189,932	189,932	-	-	-
At Risk (K-12) Fund	-	-	1,932,369	1,932,369	-	-	-
Bilingual Education Fund	-	-	105,118	105,118	-	-	-
Capital Outlay Fund	76,342	104	2,553,256	2,127,300	502,402	32,989	535,391
Driver Training Fund	-	-	38,014	24,382	13,632	1,683	15,315
Declining Enrollment Fund	-	-	597,331	483,992	113,339	-	113,339
Extraordinary School Program Fund	108,597	-	137,685	149,303	96,979	-	96,979
Food Service Fund	282,025	-	1,624,567	1,555,602	350,990	822	351,812
Professional Development Fund	1,710	-	-	1,710	-	-	-
Parent Education Program Fund	-	-	415,169	394,939	20,230	247	20,477
Summer School Fund	1,183	-	2,200	1,394	1,989	-	1,989
Special Education Fund	11,641	-	4,217,170	4,223,951	4,860	-	4,860
Virtual Education Fund	-	-	81,089	81,089	-	-	-
Vocational Education Fund	-	-	823,858	823,858	-	849	849
KPERS Special Retirement Contribution Fund	-	-	1,410,954	1,410,954	-	-	-
Coop Special Education Fund	413,605	-	7,385,182	6,758,694	1,040,093	96	1,040,189
Recreation Commission Fund	-	-	839,230	835,018	4,212	-	4,212
Recreation Commission Employee Benefits Fund	-	-	85,424	85,424	-	-	-
O'Loughlin Pre-School Fund	18,654	-	54,034	57,759	14,929	-	14,929
Munjor Childcare Fund	2,296	-	96,104	107,947	(9,547)	-	(9,547)
Reading Recovery Collaboration Fund	-	-	5,025	5,025	-	-	-
Contingency Reserve Fund	-	-	394,006	-	394,006	-	394,006
Head Start Fund	(72,219)	-	962,586	902,349	(11,982)	15,998	4,016
Head Start - ARRA Fund	(5,649)	-	15,000	9,351	-	-	-
Head Start - ARRA Expansion Fund	(6,513)	-	29,708	23,195	-	-	-
Head Start - ARRA Expansion - Oct Fund	-	-	69,544	69,851	(307)	307	-
Early Head Start Fund	(3,045)	-	625,155	677,292	(65,182)	37,055	(18,127)
Early Head Start - ARRA Fund	(325)	-	3,621	3,296	-	-	-
Early Head Start - ARRA Expansion Fund	(1,601)	-	100,037	98,436	-	-	-
Early Head Start - ARRA Expansion - Oct Fund	-	-	201,614	201,614	-	-	-
Title I Fund	-	-	302,996	302,996	-	780	780
Title I Carryover Fund	-	-	62,000	62,000	-	-	-
Title I - ARRA Fund	-	-	136,103	136,103	-	-	-
Title I Migrant Fund	-	-	89,700	89,700	-	22,831	22,831
Title IV Safe and Drug Free Schools Fund	-	5	-	5	-	-	-
Title II A Teacher Quality Fund	-	-	147,375	147,375	-	4,696	4,696
Title II D Education Technology Fund	193	-	1,417	1,610	-	-	-
Title III English Language Fund	-	-	12,611	12,611	-	-	-
Miscellaneous Mini Grants Fund	17,690	-	5,618	6,168	17,140	-	17,140

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
 Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
 For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Special Revenue Funds (continued)</b>							
Strengthening Families Grant Fund	\$ (882)	10	15,121	14,510	(261)	-	(261)
Mental Health Systems Fund	-	-	20,977	6,726	14,251	943	15,194
PAT-KELC 2010 Fund	(885)	-	11,977	11,092	-	-	-
PAT-KELC 2011 Fund	-	-	8,690	11,095	(2,405)	-	(2,405)
Smart Start 2010 Grant Fund	(70,735)	-	281,246	210,511	-	5	5
Smart Start 2011 Grant Fund	-	-	164,799	221,440	(56,641)	2,124	(54,517)
ECMH 2010 Grant Fund	(14,892)	-	26,962	12,070	-	-	-
ECMH 2011 Grant Fund	-	-	8,404	22,500	(14,096)	-	(14,096)
District Activity Funds	374,610	-	840,909	815,313	400,206	24,623	424,829
<b>Debt Service Funds</b>							
Bond and Interest Fund	703,379	-	114,585	817,964	-	-	-
No Fund Warrant Fund	142,036	-	193,486	208,506	127,016	-	127,016
<b>Total Primary Government (Excluding Agency Funds)</b>	<b>\$ 2,089,207</b>	<b>119</b>	<b>53,585,658</b>	<b>52,186,929</b>	<b>3,488,055</b>	<b>164,436</b>	<b>3,652,491</b>
			<b>Composition of Cash</b>				
				Checking Accounts		\$ 501,615	
				Savings Accounts		3,220,394	
				Total Cash		3,722,009	
				Agency Funds per Statement 4		(69,518)	
				<b>Total Primary Government (Excluding Agency Funds)</b>		<b>\$ 3,652,491</b>	

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

UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS  
 Summary of Expenditures - Actual and Budget  
 For the Year Ended June 30, 2011

Funds	Certified Budget	Adjustment to Comply With Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Fund Categories</b>						
<b>General Funds</b>						
General Fund	\$ 18,037,551	(457,665)	2,142,773	19,722,659	19,722,659	-
Supplemental General Fund	6,080,257	(67,426)	-	6,012,831	6,012,831	-
<b>Special Revenue Funds</b>						
Adult Education Fund	1,000	-	-	1,000	-	(1,000)
At Risk (4 Year Old) Fund	190,016	-	-	190,016	189,932	(84)
At Risk (K-12) Fund	1,937,395	-	-	1,937,395	1,932,369	(5,026)
Bilingual Education Fund	124,629	-	-	124,629	105,118	(19,511)
Capital Outlay Fund	2,746,546	-	-	2,746,546	2,127,300	(619,246)
Driver Training Fund	35,900	-	-	35,900	24,382	(11,518)
Declining Enrollment Fund	505,572	-	-	505,572	483,992	(21,580)
Extraordinary School Program Fund	326,720	-	-	326,720	149,303	(177,417)
Food Service Fund	2,026,937	-	-	2,026,937	1,555,602	(471,335)
Professional Development Fund	1,710	-	-	1,710	1,710	-
Parent Education Program Fund	431,740	-	-	431,740	394,939	(36,801)
Summer School Fund	3,183	-	-	3,183	1,394	(1,789)
Special Education Fund	4,223,951	-	-	4,223,951	4,223,951	-
Virtual Education Fund	84,252	-	-	84,252	81,089	(3,163)
Vocational Education Fund	908,967	-	-	908,967	823,858	(85,109)
KPERs Special Retirement Contribution Fund	1,898,769	-	-	1,898,769	1,410,954	(487,815)
Coop Special Education Fund	7,720,984	-	-	7,720,984	6,758,694	(962,290)
Recreation Commission Fund	835,018	-	-	835,018	835,018	-
Recreation Commission Employee Benefits Fund	89,664	-	-	89,664	85,424	(4,240)
<b>Debt Service Funds</b>						
Bond and Interest Fund	798,926	-	-	798,926	817,964	19,038
No Fund Warrant Fund	210,882	-	-	210,882	208,506	(2,376)

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Taxes and Shared Revenues</b>				
Taxes	\$ 4,364,884	4,665,018	4,414,956	250,062
<b>Intergovernmental Revenues</b>				
Equalization Aid	9,716,312	9,475,998	10,776,030	(1,300,032)
Mineral Severance Tax	14,881	57,725	20,551	37,174
State Aid	3,533	3,191	-	3,191
Special Education State Aid	2,515,196	2,559,191	2,527,116	32,075
Federal Aid	-	523,057	-	523,057
Federal Aid - ARRA	784,071	298,719	298,719	-
<b>Total Intergovernmental Revenues</b>	<b>13,033,993</b>	<b>12,917,881</b>	<b>13,622,416</b>	<b>(704,535)</b>
<b>Other Local Sources</b>				
Reimbursements	550,423	549,582	-	549,582
No Fund Warrants Proceeds	-	300,000	-	300,000
Capital Lease Proceeds	-	1,290,000	-	1,290,000
<b>Total Other Local Sources</b>	<b>550,423</b>	<b>2,139,582</b>	<b>-</b>	<b>2,139,582</b>
<b>Total Cash Receipts</b>	<b>17,949,300</b>	<b>19,722,481</b>	<b>18,037,372</b>	<b>1,685,109</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Salaries and Benefits	4,231,748	3,767,982	4,078,938	(310,956)
Purchased Services	66,139	59,207	54,868	4,339
Supplies	250,066	209,433	230,456	(21,023)
Textbooks and Software	126,503	358,225	44,240	313,985
Other Expenditures	13,123	13,893	128,573	(114,680)
<b>Total Instruction</b>	<b>4,687,579</b>	<b>4,408,740</b>	<b>4,537,075</b>	<b>(128,335)</b>
<b>Student Support Services</b>				
Salaries and Benefits	3,404	-	-	-
Purchased Services	10,098	10,352	11,150	(798)
Supplies	7,501	3,924	8,750	(4,826)
<b>Total Student Support Services</b>	<b>21,003</b>	<b>14,276</b>	<b>19,900</b>	<b>(5,624)</b>
<b>Instructional Support Services</b>				
Salaries and Benefits	602,694	561,453	562,122	(669)
Purchased Services	10,093	6,979	10,400	(3,421)
Supplies	39,923	20,586	43,430	(22,844)
<b>Total Instruct. Support Services</b>	<b>652,710</b>	<b>589,018</b>	<b>615,952</b>	<b>(26,934)</b>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Expenditures (continued)</b>				
<b>General Administration</b>				
Salaries and Benefits	642,535	827,026	664,034	162,992
Purchased Services	84,137	90,059	76,720	13,339
Supplies	7,956	6,935	15,180	(8,245)
Other Expenditures	10,998	21,577	33,285	(11,708)
<b>Total General Administration</b>	<b>745,626</b>	<b>945,597</b>	<b>789,219</b>	<b>156,378</b>
<b>School Administration</b>				
Salaries and Benefits	1,684,292	1,836,006	1,859,320	(23,314)
Purchased Services	44,764	61,984	63,460	(1,476)
Supplies	10,770	11,005	14,350	(3,345)
<b>Total School Administration</b>	<b>1,739,826</b>	<b>1,908,995</b>	<b>1,937,130</b>	<b>(28,135)</b>
<b>Operations and Maintenance</b>				
Salaries and Benefits	888,028	926,347	903,108	23,239
Purchased Services	249,382	1,573,103	216,816	1,356,287
Supplies	140,679	126,878	141,760	(14,882)
Utilities	577,866	585,338	627,388	(42,050)
<b>Total Oper. and Maintenance</b>	<b>1,855,955</b>	<b>3,211,666</b>	<b>1,889,072</b>	<b>1,322,594</b>
<b>Student Transportation Services</b>				
Salaries and Benefits	524,558	560,387	525,834	34,553
Purchased Services	68,579	65,374	70,592	(5,218)
Supplies	33,056	42,027	44,000	(1,973)
Motor Fuel	75,960	86,581	105,100	(18,519)
Equipment	2,825	2,905	12,358	(9,453)
Other Expenditures	3,346	4,634	3,850	784
<b>Total Student Trans. Services</b>	<b>708,324</b>	<b>761,908</b>	<b>761,734</b>	<b>174</b>
<b>Other Supplemental Services</b>				
Salaries and Benefits	108,796	109,349	109,944	(595)
Purchased Services	959	979	1,000	(21)
Other Expenditures	11,508	12,733	2,700	10,033
<b>Total Other Supp. Services</b>	<b>121,263</b>	<b>123,061</b>	<b>113,644</b>	<b>9,417</b>
<b>Operating Transfers</b>				
Bilingual Education	118,436	105,118	124,629	(19,511)
Capital Outlay	5,360	-	-	-
Contingency Reserve	-	394,006	-	394,006
Driver Training	1,157	-	-	-
Parent Education Program	42,737	42,738	42,738	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Operating Transfers (continued)</b>				
Special Education	4,301,548	<b>4,217,170</b>	4,212,310	4,860
Vocational Education	876,388	<b>797,376</b>	782,485	14,891
At Risk (4 Year Old)	175,957	<b>189,932</b>	190,016	(84)
At Risk (K-12)	1,811,886	<b>1,931,969</b>	1,937,395	(5,426)
Virtual Education	84,233	<b>81,089</b>	84,252	(3,163)
<b>Total Operating Transfers</b>	<u>7,417,702</u>	<u><b>7,759,398</b></u>	<u>7,373,825</u>	<u>385,573</u>
(a) Adjustment for Qualifying Budget Credits	-	-	2,142,773	(2,142,773)
Adjustment to Comply With Legal Max	-	-	(457,665)	457,665
<b>Total Expenditures and Legal     General Fund Budget</b>	<u>17,949,988</u>	<u><b>19,722,659</b></u>	<u>19,722,659</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(688)	<b>(178)</b>		
<b>Unencumbered Cash - Beginning</b>	688	<b>178</b>		
<b>Prior Year Cancelled Encumbrances</b>	<u>178</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 178</u>	<u>-</u>		
<b>(a) Adjustment for Qualifying Budget Credits</b>				
State Aid Over Amount Budgeted			\$ 3,191	
Reimbursements Over Amount Budgeted			549,582	
No Fund Warrant Proceeds Over Amount Budgeted			300,000	
Capital Lease Proceeds Over Amount Budgeted			1,290,000	
<b>Total</b>			<u>\$ 2,142,773</u>	

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Supplemental General Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 4,795,808	5,480,732	4,967,702	513,030
Intergovernmental Revenues				
Equalization Aid	649,026	942,187	817,260	124,927
Federal Aid - ARRA	232,353	-	-	-
<b>Total Cash Receipts</b>	<u>5,677,187</u>	<u>6,422,919</u>	<u>5,784,962</u>	<u>637,957</u>
<b>Expenditures</b>				
Instruction	5,715,031	6,003,857	6,071,282	(67,425)
General Administration	8,547	8,974	8,975	(1)
Adjustment to Comply With Legal Max	-	-	(67,426)	67,426
<b>Total Expenditures and Legal     Supplemental General Fund Budget</b>	<u>5,723,578</u>	<u>6,012,831</u>	<u>6,012,831</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(46,391)	<b>410,088</b>		
<b>Unencumbered Cash - Beginning</b>	<u>157,754</u>	<u>111,363</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>111,363</u>	<u>521,451</u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Adult Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 50	300	550	(250)
<b>Expenditures</b>				
Instruction	-	-	1,000	(1,000)
<b>Cash Receipts Over (Under) Expenditures</b>	50	300		
<b>Unencumbered Cash - Beginning</b>	401	451		
<b>Unencumbered Cash - Ending</b>	\$ 451	751		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 175,957	<b>189,932</b>	<u>190,016</u>	<u>(84)</u>
<b>Expenditures</b>				
Instruction	<u>175,957</u>	<u><b>189,932</b></u>	<u>190,016</u>	<u>(84)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 25	400	-	400
Operating Transfers	1,811,886	1,931,969	1,937,395	(5,426)
<b>Total Cash Receipts</b>	<u>1,811,911</u>	<u>1,932,369</u>	<u>1,937,395</u>	<u>(5,026)</u>
<b>Expenditures</b>				
Instruction	832,804	953,040	933,583	19,457
Student Support Services	895,603	895,945	915,946	(20,001)
School Administration	83,504	83,384	87,866	(4,482)
<b>Total Expenditures</b>	<u>1,811,911</u>	<u>1,932,369</u>	<u>1,937,395</u>	<u>(5,026)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Bilingual Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 118,436	<b>105,118</b>	<u>124,629</u>	<u>(19,511)</u>
<b>Expenditures</b>				
Instruction	118,566	<b>105,118</b>	<u>124,629</u>	<u>(19,511)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(130)	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Prior Year Cancelled Encumbrances</b>	130	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Capital Outlay Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 2,110,142	<b>2,237,394</b>	2,093,382	144,012
Intergovernmental Revenues				
Federal Aid	1,850	<b>1,250</b>	-	1,250
Other Local Sources				
Interest on Idle Funds	12,771	<b>16,678</b>	10,000	6,678
Sale of Assets	7,735	<b>1,408</b>	-	1,408
Miscellaneous Income	34,206	<b>40,250</b>	437,238	(396,988)
Operating Transfers	5,360	<b>256,276</b>	-	256,276
<b>Total Cash Receipts</b>	<u>2,172,064</u>	<u><b>2,553,256</b></u>	<u>2,540,620</u>	<u>12,636</u>
<b>Expenditures</b>				
Instruction	1,097,545	<b>1,105,439</b>	1,140,478	(35,039)
Central Services	32,163	<b>31,303</b>	32,538	(1,235)
Operations and Maintenance	129,920	<b>111,320</b>	144,760	(33,440)
Other Supplemental Services	134,144	<b>128,967</b>	155,761	(26,794)
Facility Acquisition and Construction	724,456	<b>750,271</b>	1,273,009	(522,738)
<b>Total Expenditures</b>	<u>2,118,228</u>	<u><b>2,127,300</b></u>	<u>2,746,546</u>	<u>(619,246)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	53,836	<b>425,956</b>		
<b>Unencumbered Cash - Beginning</b>	22,506	<b>76,342</b>		
<b>Prior Year Cancelled Encumbrances</b>	-	<b>104</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>76,342</u>	<u><b>502,402</b></u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Driver Training Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 5,750	5,994	5,740	254
Other Local Sources				
Fees	46,052	32,020	30,160	1,860
Public Grants	579	-	-	-
Operating Transfers	1,157	-	-	-
<b>Total Cash Receipts</b>	53,538	38,014	35,900	2,114
<b>Expenditures</b>				
Instruction	53,538	24,382	35,900	(11,518)
<b>Cash Receipts Over (Under) Expenditures</b>	-	13,632		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	13,632		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Declining Enrollment Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 531,183	<b>540,065</b>	505,572	34,493
Other Local Sources				
Miscellaneous Income	-	<b>57,266</b>	-	57,266
<b>Total Cash Receipts</b>	531,183	<b>597,331</b>	<u>505,572</u>	<u>91,759</u>
<b>Expenditures</b>				
State Payment	531,183	<b>483,992</b>	<u>505,572</u>	<u>(21,580)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	<b>113,339</b>		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	<u><b>113,339</b></u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Extraordinary School Program Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 160,155	<b>137,685</b>	233,176	(95,491)
<b>Expenditures</b>				
Instruction	6,674	<b>624</b>	126,170	(125,546)
Student Support Services	146,531	<b>148,679</b>	200,550	(51,871)
<b>Total Expenditures</b>	153,205	<b>149,303</b>	326,720	(177,417)
<b>Cash Receipts Over (Under) Expenditures</b>	6,950	<b>(11,618)</b>		
<b>Unencumbered Cash - Beginning</b>	101,647	<b>108,597</b>		
<b>Unencumbered Cash - Ending</b>	\$ 108,597	<b>96,979</b>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Food Service Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 16,997	17,171	13,880	3,291
Federal Aid	747,207	776,539	661,733	114,806
Federal Aid - ARRA	15,390	-	-	-
Other Local Sources				
Food Service Receipts	753,445	778,596	1,009,299	(230,703)
Interest on Idle Funds	1,443	1,547	10,000	(8,453)
Miscellaneous Income	43,221	50,714	50,000	714
<b>Total Cash Receipts</b>	<u>1,577,703</u>	<u>1,624,567</u>	<u>1,744,912</u>	<u>(120,345)</u>
<b>Expenditures</b>				
Operations and Maintenance	47,185	48,941	37,211	11,730
Food Service Operation	1,466,178	1,506,661	1,989,726	(483,065)
<b>Total Expenditures</b>	<u>1,513,363</u>	<u>1,555,602</u>	<u>2,026,937</u>	<u>(471,335)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	64,340	68,965		
<b>Unencumbered Cash - Beginning</b>	<u>217,685</u>	<u>282,025</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>282,025</u>	<u>350,990</u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Professional Development Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>	\$ -	-	-	-
<b>Expenditures</b>				
Instructional Support Services	-	1,710	1,710	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	(1,710)		
<b>Unencumbered Cash - Beginning</b>	-	1,710		
<b>Prior Year Cancelled Encumbrances</b>	1,710	-		
<b>Unencumbered Cash - Ending</b>	\$ 1,710	-		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Parent Education Program Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 229,391	<b>233,105</b>	235,327	(2,222)
Federal Aid	-	-	89,818	(89,818)
Other Local Sources				
Out of District Local Match	4,000	-	20,000	(20,000)
Reimbursements	102,367	<b>139,326</b>	43,857	95,469
Operating Transfers	42,737	<b>42,738</b>	42,738	-
<b>Total Cash Receipts</b>	<b>378,495</b>	<b>415,169</b>	<b>431,740</b>	<b>(16,571)</b>
<b>Expenditures</b>				
Student Support Services	375,499	<b>391,858</b>	427,840	(35,982)
Instructional Support Services	2,996	<b>3,081</b>	3,900	(819)
<b>Total Expenditures</b>	<b>378,495</b>	<b>394,939</b>	<b>431,740</b>	<b>(36,801)</b>
<b>Cash Receipts Over (Under) Expenditures</b>	-	<b>20,230</b>		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	<b>20,230</b>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Summer School Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Tuition Fees	\$ 2,150	<b>2,200</b>	<u>2,000</u>	<u>200</u>
<b>Expenditures</b>				
Instruction	967	<b>1,394</b>	<u>3,183</u>	<u>(1,789)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	1,183	<b>806</b>		
<b>Unencumbered Cash - Beginning</b>	-	<b>1,183</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>1,183</u>	<u><b>1,989</b></u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Special Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 4,301,548	<b>4,217,170</b>	<u>4,212,310</u>	<u>4,860</u>
<b>Expenditures</b>				
Student Transportation Services	166,747	<b>157,825</b>	240,029	(82,204)
Operating Transfers	<u>4,123,160</u>	<u><b>4,066,126</b></u>	<u>3,983,922</u>	<u>82,204</u>
<b>Total Expenditures</b>	<u>4,289,907</u>	<u><b>4,223,951</b></u>	<u>4,223,951</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	11,641	<b>(6,781)</b>		
<b>Unencumbered Cash - Beginning</b>	-	<b>11,641</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>11,641</u>	<u><b>4,860</b></u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Other Local Sources				
Operating Transfers	\$ 84,233	<b>81,089</b>	<u>84,252</u>	<u>(3,163)</u>
<b>Expenditures</b>				
Instruction	<u>84,233</u>	<u><b>81,089</b></u>	<u>84,252</u>	<u>(3,163)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Vocational Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
Federal Aid	\$ 26,532	<b>26,482</b>	26,482	-
Other Local Sources				
Miscellaneous Income	-	-	100,000	(100,000)
Operating Transfers	876,388	<b>797,376</b>	782,485	14,891
<b>Total Cash Receipts</b>	902,920	<b>823,858</b>	<u>908,967</u>	<u>(85,109)</u>
<b>Expenditures</b>				
Instruction	902,920	<b>823,858</b>	<u>908,967</u>	<u>(85,109)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**KPERS Special Retirement Contribution Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 1,636,870	<b>1,410,954</b>	1,898,769	(487,815)
<b>Expenditures</b>				
Instruction	1,096,703	<b>945,339</b>	1,272,175	(326,836)
Student Support Services	81,844	<b>70,548</b>	94,938	(24,390)
Instructional Support Services	81,844	<b>70,548</b>	94,938	(24,390)
General Administration	65,475	<b>56,438</b>	75,951	(19,513)
School Administration	114,581	<b>98,767</b>	132,914	(34,147)
Other Supplemental Services	16,369	<b>14,110</b>	18,989	(4,879)
Operations and Maintenance	81,844	<b>70,548</b>	94,938	(24,390)
Student Transportation Services	49,105	<b>42,328</b>	56,963	(14,635)
Food Service Operation	49,105	<b>42,328</b>	56,963	(14,635)
<b>Total Expenditures</b>	<b>1,636,870</b>	<b>1,410,954</b>	<b>1,898,769</b>	<b>(487,815)</b>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	-		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Coop Special Education Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Intergovernmental Revenues				
State Aid	\$ 5,360	<b>5,918</b>	-	5,918
Federal Aid	907,979	<b>919,319</b>	919,326	(7)
Federal Aid - ARRA	480,217	<b>480,217</b>	480,217	-
Medicaid	169,256	<b>208,951</b>	130,000	78,951
Other Local Sources				
Out of District Tuition	776,306	<b>916,744</b>	5,777,837	(4,861,093)
Reimbursed Equalization Aid	782,557	<b>787,907</b>	-	787,907
Operating Transfers	4,123,160	<b>4,066,126</b>	-	4,066,126
<b>Total Cash Receipts</b>	<b>7,244,835</b>	<b>7,385,182</b>	<b>7,307,380</b>	<b>77,802</b>
<b>Expenditures</b>				
Instruction	5,572,264	<b>5,476,327</b>	6,408,078	(931,751)
Student Support Services	1,026,080	<b>961,123</b>	980,526	(19,403)
Instructional Support Services	2,970	<b>2,509</b>	7,000	(4,491)
Special Area Administration Services	198,310	<b>204,313</b>	209,427	(5,114)
School Administration	113,264	<b>114,422</b>	114,453	(31)
Operations and Maintenance	-	-	1,500	(1,500)
<b>Total Expenditures</b>	<b>6,912,888</b>	<b>6,758,694</b>	<b>7,720,984</b>	<b>(962,290)</b>
<b>Cash Receipts Over (Under) Expenditures</b>	<b>331,947</b>	<b>626,488</b>		
<b>Unencumbered Cash - Beginning</b>	<b>81,541</b>	<b>413,605</b>		
<b>Prior Year Cancelled Encumbrances</b>	<b>117</b>	<b>-</b>		
<b>Unencumbered Cash - Ending</b>	<b>\$ 413,605</b>	<b>1,040,093</b>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Recreation Commission Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 791,309	<b>839,230</b>	<u>835,018</u>	<u>4,212</u>
<b>Expenditures</b>				
Community Service Operations	<u>791,309</u>	<u><b>835,018</b></u>	<u>835,018</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	<b>4,212</b>		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ -	<u><b>4,212</b></u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 79,282	<b>85,424</b>	<u>89,664</u>	<u>(4,240)</u>
<b>Expenditures</b>				
Community Service Operations	<u>79,282</u>	<u><b>85,424</b></u>	<u>89,664</u>	<u>(4,240)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**O'Loughlin Pre-School Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Tuition Fees	\$ 70,496	54,034
<b>Expenditures</b>		
Instruction	66,257	57,759
<b>Cash Receipts Over (Under) Expenditures</b>	4,239	(3,725)
<b>Unencumbered Cash - Beginning</b>	14,415	18,654
<b>Unencumbered Cash - Ending</b>	\$ 18,654	14,929

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Munjoy Childcare Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Daycare Receipts	\$ 11,477	16,464
Public Grants	98,811	79,640
<b>Total Cash Receipts</b>	<u>110,288</u>	<u>96,104</u>
<b>Expenditures</b>		
Student Support Services	92,750	101,992
Operations and Maintenance	10,101	5,955
<b>Total Expenditures</b>	<u>102,851</u>	<u>107,947</u>
<b>Cash Receipts Over (Under) Expenditures</b>	7,437	(11,843)
<b>Unencumbered Cash - Beginning</b>	(5,171)	2,296
<b>Prior Year Cancelled Encumbrances</b>	<u>30</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 2,296</u>	<u>(9,547)</u>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Reading Recovery Collaboration Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Tuition Fees	\$ 5,025	5,025
<b>Expenditures</b>		
Instructional Support Services	5,025	5,025
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Contingency Reserve Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

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	Prior Year Actual	Current Year Actual
	<u>          </u>	<u>          </u>
<b>Cash Receipts</b>		
Other Local Sources		
Operating Transfers	\$ -	394,006
<b>Expenditures</b>	<u>-</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	394,006
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>394,006</u>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Head Start Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 869,566	962,586
<b>Expenditures</b>		
Instruction	838,230	829,289
School Administration	67,289	73,060
<b>Total Expenditures</b>	<b>905,519</b>	<b>902,349</b>
<b>Cash Receipts Over (Under) Expenditures</b>	(35,953)	60,237
<b>Unencumbered Cash - Beginning</b>	(36,266)	(72,219)
<b>Unencumbered Cash - Ending</b>	\$ (72,219)	(11,982)

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Head Start - ARRA Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ 46,278	15,000
<b>Expenditures</b>		
Instruction	51,927	9,351
<b>Cash Receipts Over (Under) Expenditures</b>	(5,649)	5,649
<b>Unencumbered Cash - Beginning</b>	-	(5,649)
<b>Unencumbered Cash - Ending</b>	\$ (5,649)	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Head Start - ARRA Expansion Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ 67,872	29,708
<b>Expenditures</b>		
Instruction	74,143	23,195
School Administration	242	-
<b>Total Expenditures</b>	<b>74,385</b>	<b>23,195</b>
<b>Cash Receipts Over (Under) Expenditures</b>	<b>(6,513)</b>	<b>6,513</b>
<b>Unencumbered Cash - Beginning</b>	<b>-</b>	<b>(6,513)</b>
<b>Unencumbered Cash - Ending</b>	<b>\$ (6,513)</b>	<b>-</b>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Head Start - ARRA Expansion - Oct Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ -	69,544
<b>Expenditures</b>		
Instruction	-	69,851
<b>Cash Receipts Over (Under) Expenditures</b>	-	(307)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(307)

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Early Head Start Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 729,883	625,155
<b>Expenditures</b>		
Instruction	638,506	637,141
School Administration	35,106	40,151
<b>Total Expenditures</b>	<b>673,612</b>	<b>677,292</b>
<b>Cash Receipts Over (Under) Expenditures</b>	56,271	<b>(52,137)</b>
<b>Unencumbered Cash - Beginning</b>	(59,316)	<b>(3,045)</b>
<b>Unencumbered Cash - Ending</b>	\$ (3,045)	<b>(55,182)</b>

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

UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS  
**Early Head Start - ARRA Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ 32,321	3,621
<b>Expenditures</b>		
Instruction	32,431	3,296
School Administration	215	-
<b>Total Expenditures</b>	<b>32,646</b>	<b>3,296</b>
<b>Cash Receipts Over (Under) Expenditures</b>	(325)	325
<b>Unencumbered Cash - Beginning</b>	-	(325)
<b>Unencumbered Cash - Ending</b>	\$ (325)	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Early Head Start - ARRA Expansion Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2011**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ 136,355	100,037
<b>Expenditures</b>		
Instruction	126,978	88,808
School Administration	1,604	52
Operations and Maintenance	6,022	3,769
Facility Acquisition and Construction	3,352	5,807
<b>Total Expenditures</b>	<b>137,956</b>	<b>98,436</b>
<b>Cash Receipts Over (Under) Expenditures</b>	(1,601)	1,601
<b>Unencumbered Cash - Beginning</b>	-	(1,601)
<b>Unencumbered Cash - Ending</b>	\$ (1,601)	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Early Head Start - ARRA Expansion - Oct Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ -	201,614
<b>Expenditures</b>		
Instruction	-	191,448
Operations and Maintenance	-	10,166
<b>Total Expenditures</b>	-	201,614
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 354,418	302,996
<b>Expenditures</b>		
Instruction	344,311	292,851
General Administration	10,107	10,145
<b>Total Expenditures</b>	<b>354,418</b>	<b>302,996</b>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I Carryover Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 60,500	62,000
<b>Expenditures</b>		
Instruction	60,500	62,000
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I - ARRA Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ 136,103	136,103
<b>Expenditures</b>		
Instruction	136,103	136,103
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title I Migrant Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 92,000	89,700
<b>Expenditures</b>		
Instruction	84,953	81,464
Student Support Services	2,240	982
Instructional Support Services	2,650	5,100
School Administration	2,157	2,154
<b>Total Expenditures</b>	92,000	89,700
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title IV Safe and Drug Free Schools Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2011**  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 9,568	-
<b>Expenditures</b>		
Instruction	9,568	5
<b>Cash Receipts Over (Under) Expenditures</b>	-	(5)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Prior Year Cancelled Encumbrances</b>	-	5
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title II A Teacher Quality Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 147,219	147,375
<b>Expenditures</b>		
Instruction	147,219	147,375
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title II D Education Technology Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2011**  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 3,699	1,417
<b>Expenditures</b>		
Instruction	3,699	1,610
<b>Cash Receipts Over (Under) Expenditures</b>	-	(193)
<b>Unencumbered Cash - Beginning</b>	-	193
<b>Prior Year Cancelled Encumbrances</b>	193	-
<b>Unencumbered Cash - Ending</b>	\$ 193	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title II D Education Technology - ARRA Fund**  
**Statement of Cash Receipts and Expenditures**  
**For the Year Ended June 30, 2011**  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid - ARRA	\$ 9,096	-
<b>Expenditures</b>		
Instruction	9,096	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Title III English Language Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ -	12,611
<b>Expenditures</b>		
Instruction	-	12,611
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Miscellaneous Mini Grants Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 800	-
Other Local Sources		
Public Grants	91,699	5,618
<b>Total Cash Receipts</b>	<u>92,499</u>	<u>5,618</u>
<b>Expenditures</b>		
Instruction	5,440	2,750
General Administration	16,069	3,418
Operations and Maintenance	66,918	-
<b>Total Expenditures</b>	<u>88,427</u>	<u>6,168</u>
<b>Cash Receipts Over (Under) Expenditures</b>	4,072	(550)
<b>Unencumbered Cash - Beginning</b>	<u>13,618</u>	<u>17,690</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 17,690</u>	<u>17,140</u>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Strengthening Families Grant Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
Federal Aid	\$ 14,076	15,121
<b>Expenditures</b>		
Instructional Support Services	14,958	14,510
<b>Cash Receipts Over (Under) Expenditures</b>	(882)	611
<b>Unencumbered Cash - Beginning</b>	-	(882)
<b>Prior Year Cancelled Encumbrances</b>	-	10
<b>Unencumbered Cash - Ending</b>	\$ (882)	(261)

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Mental Health Systems Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Other Local Sources		
Public Grants	\$ -	20,977
<b>Expenditures</b>		
Instructional Support Services	-	6,726
<b>Cash Receipts Over (Under) Expenditures</b>	-	14,251
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	14,251

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**PAT-KELC 2009 Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ 22,378	-
<b>Expenditures</b>		
Instructional Support Services	16,176	-
<b>Cash Receipts Over (Under) Expenditures</b>	6,202	-
<b>Unencumbered Cash - Beginning</b>	(6,202)	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**PAT-KELC 2010 Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ 12,639	11,977
<b>Expenditures</b>		
Instructional Support Services	13,524	11,092
<b>Cash Receipts Over (Under) Expenditures</b>	(885)	885
<b>Unencumbered Cash - Beginning</b>	-	(885)
<b>Unencumbered Cash - Ending</b>	\$ (885)	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**PAT-KELC 2011 Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ -	8,690
<b>Expenditures</b>		
Instructional Support Services	-	11,095
<b>Cash Receipts Over (Under) Expenditures</b>	-	(2,405)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(2,405)

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Smart Start 2009 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ 260,411	-
<b>Expenditures</b>		
Instruction	163,373	-
Instructional Support Services	13,255	-
<b>Total Expenditures</b>	<u>176,628</u>	<u>-</u>
<b>Cash Receipts Over (Under) Expenditures</b>	83,783	-
<b>Unencumbered Cash - Beginning</b>	<u>(83,783)</u>	<u>-</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Smart Start 2010 Grant Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ 166,071	281,246
<b>Expenditures</b>		
Instruction	202,176	192,824
Instructional Support Services	34,630	17,687
<b>Total Expenditures</b>	<b>236,806</b>	<b>210,511</b>
<b>Cash Receipts Over (Under) Expenditures</b>	(70,735)	70,735
<b>Unencumbered Cash - Beginning</b>	-	(70,735)
<b>Unencumbered Cash - Ending</b>	\$ (70,735)	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Smart Start 2011 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ -	164,799
<b>Expenditures</b>		
Instruction	-	185,960
Instructional Support Services	-	35,480
<b>Total Expenditures</b>	-	221,440
<b>Cash Receipts Over (Under) Expenditures</b>	-	(56,641)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(56,641)

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**ECMH 2009 Grant Fund**  
 Statement of Cash Receipts and Expenditures  
 For the Year Ended June 30, 2011  
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ 38,463	-
<b>Expenditures</b>		
Instructional Support Services	24,654	-
<b>Cash Receipts Over (Under) Expenditures</b>	13,809	-
<b>Unencumbered Cash - Beginning</b>	(13,809)	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**ECMH 2010 Grant Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ 15,694	25,306
Other Local Sources		
Public Grants	-	1,656
<b>Total Cash Receipts</b>	15,694	26,962
<b>Expenditures</b>		
Instructional Support Services	30,586	12,070
<b>Cash Receipts Over (Under) Expenditures</b>	(14,892)	14,892
<b>Unencumbered Cash - Beginning</b>	-	(14,892)
<b>Unencumbered Cash - Ending</b>	\$ (14,892)	-

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**ECMH 2011 Grant Fund**  
Statement of Cash Receipts and Expenditures  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Intergovernmental Revenues		
State Aid	\$ -	8,404
<b>Expenditures</b>		
Instructional Support Services	-	22,500
<b>Cash Receipts Over (Under) Expenditures</b>	-	(14,096)
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	(14,096)

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Bond and Interest Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 694,433	114,585	95,555	19,030
<b>Expenditures</b>				
Principal	720,000	550,000	787,238	(237,238)
Interest	38,675	11,688	11,688	-
Operating Transfers	-	256,276	-	256,276
<b>Total Expenditures</b>	758,675	817,964	798,926	19,038
<b>Cash Receipts Over (Under) Expenditures</b>	(64,242)	(703,379)		
<b>Unencumbered Cash - Beginning</b>	767,621	703,379		
<b>Unencumbered Cash - Ending</b>	\$ 703,379	-		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**No Fund Warrant Fund**  
Statement of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2011  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Taxes	\$ 148,402	<b>193,486</b>	182,576	10,910
<b>Expenditures</b>				
Principal	98,993	<b>200,622</b>	201,008	(386)
Interest	6,507	<b>7,884</b>	9,874	(1,990)
<b>Total Expenditures</b>	105,500	<b>208,506</b>	210,882	(2,376)
<b>Cash Receipts Over (Under) Expenditures</b>	42,902	<b>(15,020)</b>		
<b>Unencumbered Cash - Beginning</b>	99,134	<b>142,036</b>		
<b>Unencumbered Cash - Ending</b>	\$ 142,036	<b>127,016</b>		

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Agency Funds**  
Summary of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2011

Student Organization Funds	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
<b>High School</b>				
Class of 2010	\$ 1,134	-	1,134	-
Class of 2011	1,586	1,927	742	2,771
Class of 2012	4,091	2,193	4,982	1,302
Class of 2013	2,103	2,593	891	3,805
Class of 2014	-	2,482	788	1,694
Project Graduation	-	5,290	5,290	-
BPA	1,422	-	1,422	-
DECA	5,552	10,217	11,343	4,426
Concessions	2,649	15,832	14,106	4,375
FFA	16,960	24,456	22,463	18,953
National Honor Society	2,366	3,931	5,015	1,282
Spanish	331	1,463	1,433	361
Science Club	4,904	1,142	2,362	3,684
Spirit Club	-	434	63	371
STUCO	4,512	10,138	10,207	4,443
International Club	181	952	605	528
Peer Team	-	500	142	358
Helping Hands	3,187	11,148	9,274	5,061
<b>Total High School</b>	<b>50,978</b>	<b>94,698</b>	<b>92,262</b>	<b>53,414</b>
<b>Felten Middle School</b>				
6th Grade	325	901	1,200	26
8th Grade Recognition	3,609	1,984	1,637	3,956
Cheerleader	2,422	6,219	6,837	1,804
Natural Helpers	1,475	2,543	2,723	1,295
STUCO	1,148	4,495	5,174	469
Builders Club	133	206	-	339
FOR	438	-	380	58
Rachel's Challenge	425	481	550	356
Ermoian Class Project	-	1,400	1,400	-
<b>Total Felten Middle School</b>	<b>\$ 9,975</b>	<b>18,229</b>	<b>19,901</b>	<b>8,303</b>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Agency Funds**  
 Summary of Cash Receipts and Cash Disbursements  
 For the Year Ended June 30, 2011

Student Organization Funds	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
<b>Kennedy Middle School</b>				
Cheerleaders/Pep Club	\$ 1,676	4,468	3,105	<b>3,039</b>
8th Grade Recognition	517	952	1,233	<b>236</b>
Spirit Club	46	10	-	<b>56</b>
STUCO	1,322	9,047	8,980	<b>1,389</b>
Dance Team	170	718	888	-
<b>Total Kennedy Middle School</b>	<u>3,731</u>	<u>15,195</u>	<u>14,206</u>	<u><b>4,720</b></u>
<b>Washington Grade School</b>				
STUCO	<u>3,223</u>	<u>685</u>	<u>827</u>	<u><b>3,081</b></u>
<b>Total Student Organization Funds</b>	<u>\$ 74,846</u>	<u>132,804</u>	<u>138,132</u>	<u><b>69,518</b></u>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**District Activity Funds**  
 Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
 For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Gate Receipts</b>							
<b>High School</b>							
Athletics	\$ 37,416	-	240,631	239,893	38,154	18,648	56,802
Musical	22,980	-	22,033	23,375	21,638	40	21,678
<b>Total High School</b>	<b>60,396</b>	<b>-</b>	<b>262,664</b>	<b>263,268</b>	<b>59,792</b>	<b>18,688</b>	<b>78,480</b>
<b>Felten Middle School</b>							
Athletics	15,853	-	46,316	49,852	12,317	-	12,317
<b>Kennedy Middle School</b>							
Athletics	715	-	5,402	4,692	1,425	-	1,425
<b>Total Gate Receipts</b>	<b>76,964</b>	<b>-</b>	<b>314,382</b>	<b>317,812</b>	<b>73,534</b>	<b>18,688</b>	<b>92,222</b>
<b>School Projects</b>							
<b>High School</b>							
Band	4,097	-	21,398	16,138	9,357	-	9,357
Chamber Singers	40,216	-	80,739	82,891	38,064	-	38,064
Publications/Journalism	31,895	-	28,567	25,822	34,640	-	34,640
Band Club	6,843	-	10,878	7,820	9,901	-	9,901
Orchestra Instruments	-	-	2,000	1,260	740	-	740
HHS Vocal	6,813	-	4,221	8,460	2,574	-	2,574
Choir	35,735	-	18,165	32,554	21,346	-	21,346
Orchestra	2,105	-	8,792	8,446	2,451	1,813	4,264
Ben Gibson Music Memorial	1,760	-	320	250	1,830	-	1,830
Athletic Foundations	3,991	-	9,275	6,285	6,981	2,743	9,724
Hays City Shootout	-	-	22,587	22,412	175	-	175
Drama	1,425	-	2,584	2,090	1,919	-	1,919
Dance Student ID Fee	14	-	150	99	65	-	65
Debate/Forensics	196	-	1,753	1,510	439	-	439
Hays High Industrial Tech Association	3,063	-	12,900	12,572	3,391	40	3,431
Welding Metals Tech	133	-	206	201	138	-	138
Video Tech	4,613	-	4,171	4,601	4,183	128	4,311
Radio Broadcast	50	-	-	-	50	-	50
Science Breakage	133	-	127	85	175	-	175
Special Woods	3,259	-	948	1,236	2,971	-	2,971
Business	386	-	185	153	418	-	418
Stitch N'Design	188	-	181	182	187	-	187
Sales Tax	1,448	-	20,870	18,403	3,915	177	4,092
Athletic Equipment	1,181	-	20,452	11,908	9,725	-	9,725
Athletic Supplies	606	-	8,988	3,945	5,649	84	5,733

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**District Activity Funds**  
 Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
 For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Cash Balance
<b>High School (continued)</b>							
Athletic Officials	\$ -	-	27,941	27,941	-	-	-
Science Olympiad	152	-	-	100	52	-	52
SO Project Utility	810	-	-	43	767	-	767
Crafts/Leisure	148	-	-	108	40	-	40
Psychology	156	-	-	50	106	-	106
Web Team	870	-	5,534	4,920	1,484	-	1,484
FFA Scholarships	4,002	-	6,260	3,350	6,912	-	6,912
FFA Memorial	4,230	-	1,520	1,093	4,657	-	4,657
Jordyn Claiborn - Free Spirit	565	-	450	1,000	15	-	15
Alex Santos Memorial	93	-	-	80	13	-	13
Science Lab Books	1,208	-	6,243	5,440	2,011	-	2,011
Newspaper	733	-	4,174	2,480	2,427	125	2,552
Library	788	-	2,286	2,020	1,054	188	1,242
School Improvements	3,997	-	29,870	30,134	3,733	637	4,370
Guidance Office	913	-	2,432	2,291	1,054	-	1,054
Web Store	61	-	-	61	-	-	-
Orchestra Scholarship	408	-	14	-	422	-	422
<b>Total High School</b>	<b>169,284</b>	<b>-</b>	<b>367,181</b>	<b>350,434</b>	<b>186,031</b>	<b>5,935</b>	<b>191,966</b>
<b>Felten Middle School</b>							
Band	4,605	-	21	27	4,599	-	4,599
Vocal	1,692	-	3,131	2,740	2,083	-	2,083
Orchestra	24	-	780	755	49	-	49
Yearbook	7,883	-	6,165	6,222	7,826	-	7,826
Quiz/Scholar Bowl	146	-	315	351	110	-	110
Teacher Classroom	878	-	3,034	2,701	1,211	-	1,211
PE Locks	725	-	-	-	725	-	725
Magazine	8,510	-	5,094	7,594	6,010	-	6,010
Pencil Project	50	-	-	-	50	-	50
Library	299	-	281	268	312	-	312
Video Tech	1,206	-	2,239	2,120	1,325	-	1,325
Interest	5	-	32	33	4	-	4
Sales Tax	-	-	1,201	839	362	-	362
Special Project - Improvements	1,668	-	5,023	5,383	1,308	-	1,308
<b>Total Felten Middle School</b>	<b>27,691</b>	<b>-</b>	<b>27,316</b>	<b>29,033</b>	<b>25,974</b>	<b>-</b>	<b>25,974</b>
<b>Kennedy Middle School</b>							
Library Improvements	48	-	101	72	77	-	77
Sales Tax	-	-	1,421	1,421	-	-	-
Educational Improvements	12,171	-	20,050	15,182	17,039	-	17,039
Yearbook	1,237	-	4,077	1,639	3,675	-	3,675
<b>Total Kennedy Middle School</b>	<b>\$ 13,456</b>	<b>-</b>	<b>25,649</b>	<b>18,314</b>	<b>20,791</b>	<b>-</b>	<b>20,791</b>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**District Activity Funds**  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Cash Balance
<b>Wilson Grade School</b>							
Principal's Contingency	\$ 1,857	-	4,795	4,928	1,724	-	1,724
Teacher Classroom	6,765	-	9,397	8,370	7,792	-	7,792
School Improvements	144	-	5,023	2,910	2,257	-	2,257
Yearbook	410	-	2,988	2,875	523	-	523
Library	68	-	4,847	4,797	118	-	118
Pen/Paper Machines	269	-	1,000	930	339	-	339
Boxtops/Campbell's Labels	1,515	-	78	1,191	402	-	402
<b>Total Wilson Grade School</b>	<u>11,028</u>	<u>-</u>	<u>28,128</u>	<u>26,001</u>	<u>13,155</u>	<u>-</u>	<u>13,155</u>
<b>Lincoln Grade School</b>							
Principal's Contingency	3,101	-	7,138	6,526	3,713	-	3,713
Teacher Classroom	3,504	-	5,481	6,080	2,905	-	2,905
Pictures	287	-	229	-	516	-	516
Special Projects	3,628	-	2,386	1,909	4,105	-	4,105
<b>Total Lincoln Grade School</b>	<u>10,520</u>	<u>-</u>	<u>15,234</u>	<u>14,515</u>	<u>11,239</u>	<u>-</u>	<u>11,239</u>
<b>O'Loughlin Grade School</b>							
School Pictures	5,842	-	2,351	2,867	5,326	-	5,326
Teacher Classroom	4,133	-	7,656	5,681	6,108	-	6,108
Book Fair	970	-	4,716	4,611	1,075	-	1,075
Ambassador	190	-	688	420	458	-	458
Yearbook	415	-	3,133	2,372	1,176	-	1,176
Agendas	421	-	595	740	276	-	276
Big G Tops	2,722	-	1,711	1,895	2,538	-	2,538
Principal's Fund	1,469	-	2,731	1,012	3,188	-	3,188
Binder	523	-	308	333	498	-	498
Pencil	957	-	607	727	837	-	837
Headphones	735	-	680	479	936	-	936
<b>Total O'Loughlin Grade School</b>	<u>18,377</u>	<u>-</u>	<u>25,176</u>	<u>21,137</u>	<u>22,416</u>	<u>-</u>	<u>22,416</u>
<b>Roosevelt Grade School</b>							
Library	758	-	157	565	350	-	350
Classroom Parties	-	-	803	418	385	-	385
Yearbook	-	-	3,834	3,783	51	-	51
Principal's Contingency	4,993	-	4,765	5,630	4,128	-	4,128
Teacher Classroom	6,740	-	7,398	7,825	6,313	-	6,313
Pencil and Notebook	2,601	-	825	659	2,767	-	2,767
Special Projects	13,074	-	5,708	6,692	12,090	-	12,090
<b>Total Roosevelt Grade School</b>	<u>\$ 28,166</u>	<u>-</u>	<u>23,490</u>	<u>25,572</u>	<u>26,084</u>	<u>-</u>	<u>26,084</u>

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

UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS  
District Activity Funds  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Cash Balance
<b>Washington Grade School</b>							
Principal's Contingency	\$ 3,786	-	5,139	2,892	6,033	-	6,033
Pictures	1,483	-	156	77	1,562	-	1,562
Yearbook	2,077	-	540	132	2,485	-	2,485
Book Programs	474	-	939	953	460	-	460
T-Shirts/Sweatshirts	421	-	1,935	1,966	390	-	390
Trip	618	-	36	387	267	-	267
Mentor Program	1,650	-	737	1,928	459	-	459
Classroom Activities	7,641	-	4,411	3,674	8,378	-	8,378
Reading Is Fundamental	9	-	-	-	9	-	9
Pencil and Notebook	336	-	460	372	424	-	424
Sports	629	-	-	114	515	-	515
<b>Total Washington Grade School</b>	<u>19,124</u>	<u>-</u>	<u>14,353</u>	<u>12,495</u>	<u>20,982</u>	<u>-</u>	<u>20,982</u>
<b>Total School Projects</b>	<u>297,646</u>	<u>-</u>	<u>526,527</u>	<u>497,501</u>	<u>326,672</u>	<u>5,935</u>	<u>332,607</u>
<b>Total District Activity Funds</b>	<u>\$ 374,610</u>	<u>-</u>	<u>840,909</u>	<u>815,313</u>	<u>400,206</u>	<u>24,623</u>	<u>424,829</u>

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2011

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

**Unified School District No. 489 Hays, Kansas** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

**Reporting Entity**

The District is a municipal corporation governed by an elected seven-member board. The financial statements of the District consist of all the funds of the District that are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

The following is a component unit of the District. The District exercises significant influence or accountability based primarily on operational or financial relationships with the District.

**Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence**

The Foundation is organized as a nonprofit organization in the State of Kansas for the purpose of providing charitable and educational functions to the District. Seven members of the Board of Trustees of the Foundation are also members of the Board of Education of the District. Their financial statements are not included in this report. Contact the District Clerk for information on how to obtain this financial information.

The District is the primary government as defined in GASB #14 and further amended by GASB #39. The School Board is elected by the public. The Board has the authority to make decisions, levy taxes, influence operations and has the primary accountability in fiscal matters.

**Use of Estimates**

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

**Basis of Presentation – Fund Accounting**

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

The following categories of funds comprise the financial activities of the District for the year ended June 30, 2011.

**Governmental Fund Categories**

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

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2011

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

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

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

**Fiduciary Fund Categories**

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

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

**Statutory Basis of Accounting**

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The District has approved a resolution that is in compliance with K.S.A. 75-1120 a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the statutory basis of accounting.

**Departure From Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the District are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2011

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

**Budgetary Information**

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

- a. Preparation of the budget for the succeeding fiscal year on or before August 1<sup>st</sup>.
- b. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15<sup>th</sup>, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication the hearing may be held and the governing body may amend the budget at that time. There was one budget amendment this year for the Parent Education Program Fund.

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

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

A legal operating budget is not required for capital project funds, fiduciary funds, and the following special revenue funds: O'Loughlin Pre-School Fund, Munjor Childcare Fund, Reading Recovery Collaboration Fund, Contingency Reserve Fund, Head Start Fund, Head Start – ARRA Fund, Head Start – ARRA Expansion Fund, Head Start – ARRA Expansion – Oct Fund, Early Head Start Fund, Early Head Start – ARRA Fund, Early Head Start – ARRA Expansion Fund, Early Head Start – ARRA Expansion – Oct Fund, Title I Fund, Title I Carryover Fund, Title I – ARRA Fund, Title I Migrant Fund, Title IV Safe and Drug Free Schools Fund, Title II A Teacher Quality Fund, Title II D Education Technology Fund, Title II D Education Technology – ARRA Fund, Title III English Language Fund, Miscellaneous Mini Grants Fund, Strengthening Families Grant Fund, Mental Health Systems Fund, PAT-KELC 2009 Fund, PAT-KELC 2010 Fund, PAT-KELC 2011 Fund, Smart Start 2009 Grant Fund, Smart Start 2010 Grant Fund, Smart Start 2011 Grant Fund, ECMH 2009 Grant Fund, ECMH 2010 Grant Fund, and ECMH 2011 Grant Fund.

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2011

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

**Deposits and Investments**

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

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

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

**Concentration of Credit Risk**

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

**Custodial Credit Risk – Deposits**

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

At June 30, 2011, the District's carrying amount of deposits was \$3,722,009 and the bank balance was \$6,617,043. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$1,034,842 was covered by federal depository insurance and \$5,582,201 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

**Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments at June 30, 2011.

**Compensated Absences**

**Sick Leave**

The District's contracts with various employees permits them to accumulate sick leave. Certified and non-certified personnel may accumulate sick leave at two days per annum and one day per contract month with full salary. Unused sick leave is cumulative without limit. Upon termination, employees with five years of service will receive accumulated sick leave at a rate of \$65 per day for all days above 20 days. The total potential liability for sick leave approximated \$1,673,743 at June 30, 2011. This potential liability is shown on the schedule of long-term debt.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2011

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

**Vacation**

Classified personnel who have completed a full year of service on June 1 are granted paid vacation based on length of service. All vacation awarded in any given year shall be taken during that same contract year.

**Deferred Compensation Plan**

The District sponsors deferred compensation plans under Internal Revenue Code Sections 403(b) and 457(b). Permanent and part-time employees are eligible to participate under these plans. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

**Defined Benefit Pension Plan**

**Plan Description**

The District contributes to the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERs provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

**Funding Policy**

K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at 4% and 6% (if hired on or after July 1, 2009) of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERs according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. The State currently contributes 9.17% of covered payroll and 16.48% for non-licensed KPERs retirees and 20.48% for licensed KPERs retirees. These contribution requirements are established by KPERs and are periodically revised. The State of Kansas' contributions to KPERs for all Kansas public school employees for the years ending June 30, 2011, 2010, and 2009 were \$253,834,044, \$248,468,186, and \$242,277,363, respectively, equal to the required contributions for each year as set forth by the legislature. The amounts attributable to the District for the years ending June 30, 2011, 2010, and 2009 were \$1,410,954, \$1,636,870, and \$1,639,568, respectively.

**Other Post Employment Benefits**

The District provides post retirement healthcare benefits, effective September 18, 2000, in accordance with State statutes. To be eligible for early retirement, the employee must have been employed in the District in a full-time position at least 10 years and turn 55 years of age or older prior to the first day of school the following year. The employee must be a current employee and give written notice to the Superintendent on or before May 10<sup>th</sup> of the year in which the employee wishes to retire early. The District will pay a minimum of \$5,996 annually toward the retired employees' health insurance in the District pool until the retiree reaches age 65. Throughout the year ended June 30, 2011, 71 retirees met those eligibility requirements. Expenditures for post retirement healthcare benefits are recognized as retirees report claims. During the year, expenditures of \$431,465 were recognized for post retirement healthcare.

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. The District pays the full amount of the applicable premium for single coverage. The employee is responsible for any amounts above the single coverage 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.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2011

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

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

**Property Tax Calendar**

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1<sup>st</sup> are due one-half by December 20<sup>th</sup> and one-half by May 10<sup>th</sup>. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

**Restricted Assets**

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

**Reimbursements**

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

**NOTE 2 – INTERFUND TRANSFERS**

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 489 Hays, Kansas'** interfund transfers and statutory authority for the year ended June 30, 2011 were as follows:

From	To	Statutory Authority	Amount
General Fund	Bilingual Education Fund	K.S.A. 72-6428	\$ 105,118
General Fund	Virtual Education Fund	K.S.A. 72-6428	81,089
General Fund	Contingency Reserve Fund	K.S.A. 72-6428	394,006
General Fund	Special Education Fund	K.S.A. 72-6428	4,217,170
General Fund	Vocational Education Fund	K.S.A. 72-6428	797,376
General Fund	Parent Education Program Fund	K.S.A. 72-6428	42,738
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-6428	189,932
General Fund	At Risk (K-12) Fund	K.S.A. 72-6428	1,931,969
Bond and Interest Fund	Capital Outlay Fund	K.S.A. 72-8221	256,276
Special Education Fund	Coop Special Education Fund	K.S.A. 72-968	4,066,126

**NOTE 3 – LITIGATION**

**Unified School District No. 489 Hays, Kansas** is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the District.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2011

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**NOTE 4 – RISK MANAGEMENT**

**Unified School District No. 489 Hays, Kansas** carries commercial insurance for risks of loss, including property, general liability, inland marine, automobile, school board liability, umbrella, workers compensation, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 5 – GRANTS AND SHARED REVENUES**

**Unified School District No. 489 Hays, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

**NOTE 6 – RELATED PARTY TRANSACTIONS**

In accordance with Financial Accounting Standards Board Statement No. 57, the following related party transactions were identified for the fiscal year 2011. Related party transactions do not include compensation arrangements, expense allowances and reimbursements, and similar items incurred in the ordinary course of operations and, accordingly, such items are not included below.

<b>Richard Kraemer</b> – Shareholder of Insurance Planning and a Board Member.	\$ 116,645
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**NOTE 7 – COMPARATIVE DATA**

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **Unified School District No. 489 Hays, Kansas'** cash and unencumbered cash balances. However, complete comparative data (presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

**NOTE 8 – OPERATING LEASES**

On June 18, 2008, **Unified School District No. 489 Hays, Kansas** entered into a lease agreement with Xerox Corporation for a Xerox 4595 Copier. The agreement calls for monthly payments of \$1,222 for 60 months. Payments totaling \$13,447 were made during the fiscal year ended June 30, 2011. Future scheduled payments to maturity are as follows:

<u>Year</u>	<u>Amount</u>
2012	\$ 14,669
2013	14,669
2014	2,445

On December 21, 2009, the District entered into a lease agreement with Essdack Corporation for an Ikon PCP1050 Copier. The agreement calls for monthly payments of \$975 for 60 months. Payments totaling \$11,700 were made prior to June 30, 2011. Future scheduled payments to maturity are as follows:

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Financial Statements  
June 30, 2011

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**NOTE 8 – OPERATING LEASES (continued)**

<u>Year</u>	<u>Amount</u>
2012	\$ 11,700
2013	11,700
2014	11,700
2015	5,850

**NOTE 9 – LONG-TERM DEBT**

**Unified School District No. 489 Hays, Kansas** has the following types of long-term debt.

**General Obligation Bond**

On September 1, 1998, the District issued \$4,440,000 in Series 1998 general obligation bonds to finance various school improvements.

**No Fund Warrant**

The District entered into a No Fund Warrant of \$300,000 on July 13, 2009 to finance the purchase of text books. This No Fund Warrant was paid off during the fiscal year ended June 30, 2011. The District entered into another No Fund Warrant of \$300,000 on May 6, 2011 to finance the purchase of text books.

**Lease Obligations**

The District has entered into lease agreements with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS  
Notes to Financial Statements  
June 30, 2011

**NOTE 9 - LONG-TERM DEBT (continued)**

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
<b>General Obligation Bond</b>										
Series 1998	4.00-4.25%	09/01/98	\$ 4,440,000	11/01/10	\$ 550,000	-	(550,000)		-	11,688
<b>No Fund Warrant</b>										
No Fund Warrant - Golden Belt Bank	3.90%	07/13/09	300,000	02/01/12	201,007	-	(201,007)		-	7,500
No Fund Warrant - Commerce Bank	2.48%	05/06/11	300,000	02/01/14	-	300,000	-		300,000	-
<b>Capital Leases Payable</b>										
Dell Computers	4.30%	05/09/07	3,710,745	02/01/11	976,593	-	(976,593)		-	31,607
POS System	4.54%	07/17/07	41,840	02/01/11	10,927	-	(10,927)		-	374
Telephone System	3.65%	08/18/08	16,600	12/15/10	5,596	-	(5,596)		-	226
School Bus	3.65%	12/18/08	104,998	02/15/15	75,343	-	(14,009)		61,334	2,750
Internet Filtering System	3.65%	02/23/09	59,067	10/15/11	39,457	-	(19,375)		20,082	1,440
CIC Software	3.65%	03/10/09	171,313	03/10/16	128,289	-	(19,514)		108,775	4,683
Dell Computers	2.48%	06/02/11	1,290,000	02/01/14	-	1,290,000	-		1,290,000	-
<b>Total Contractual Indebtedness</b>					1,987,212	1,590,000	(1,797,021)	-	1,780,191	60,268
<b>Compensated Absences</b>					1,882,333			(208,590)	1,673,743	
<b>Total Long-Term Debt</b>					<u>\$ 3,869,545</u>	<u>1,590,000</u>	<u>(1,797,021)</u>	<u>(208,590)</u>	<u>3,453,934</u>	<u>60,268</u>

UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS  
Notes to Financial Statements  
June 30, 2011

**NOTE 9 - LONG-TERM DEBT (continued)**

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	
<b>Principal</b>						
No Fund Warrant - Commerce Bank	\$ 98,827	99,347	101,826	-	-	300,000
Capital Leases Payable	481,373	462,413	474,371	38,692	23,342	1,480,191
<b>Total Principal</b>	<b>580,200</b>	<b>561,760</b>	<b>576,197</b>	<b>38,692</b>	<b>23,342</b>	<b>1,780,191</b>
<b>Interest</b>						
No Fund Warrant - Commerce Bank	4,897	4,377	1,898	-	-	11,172
Capital Leases Payable	25,587	23,731	11,772	2,264	854	64,208
<b>Total Interest</b>	<b>30,484</b>	<b>28,108</b>	<b>13,670</b>	<b>2,264</b>	<b>854</b>	<b>75,380</b>
<b>Total Principal and Interest</b>	<b>\$ 610,684</b>	<b>589,868</b>	<b>589,867</b>	<b>40,956</b>	<b>24,196</b>	<b>1,855,571</b>

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2011

**NOTE 10 - COMPLIANCE WITH K.S.A. 72-6417(d) AND K.S.A. 72-6434(d)**

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

**General Fund**

Statutory Revenues and Expenditures - Statutory and Budget

For the Year Ended June 30, 2011

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<b>Statutory Revenues</b>			
Taxes and Shared Revenues			
Taxes	\$ 4,665,018	4,414,956	250,062
Intergovernmental Revenues			
Equalization Aid	9,475,998	10,776,030	(1,300,032)
Mineral Severance Tax	57,725	20,551	37,174
State Aid	3,191	-	3,191
Special Education State Aid	2,559,191	2,527,116	32,075
Federal Aid	523,057	-	523,057
Federal Aid - ARRA	298,719	298,719	-
Other Local Sources			
Reimbursements	549,582	-	549,582
No Fund Warrants Proceeds	300,000	-	300,000
Capital Lease Proceeds	1,290,000	-	1,290,000
<b>Total Statutory Revenues</b>	<u>19,722,481</u>	<u>18,037,372</u>	<u>1,685,109</u>
<b>Expenditures</b>			
Instruction	4,408,740	4,537,075	(128,335)
Student Support Services	14,276	19,900	(5,624)
Instructional Support Services	589,018	615,952	(26,934)
General Administration	945,597	789,219	156,378
School Administration	1,908,995	1,937,130	(28,135)
Operations and Maintenance	3,211,666	1,889,072	1,322,594
Student Transportation Services	761,908	761,734	174
Other Supplemental Services	123,061	113,644	9,417
Operating Transfers	7,759,398	7,373,825	385,573
Adjustment to Comply With Legal Max	-	(457,665)	457,665
Legal General Fund Budget	19,722,659	17,579,886	2,142,773
(a) Adjustment for Qualifying Budget Credits	-	2,142,773	(2,142,773)
<b>Total Expenditures and Legal   General Fund Budget</b>	<u>19,722,659</u>	<u>19,722,659</u>	<u>-</u>
<b>Statutory Revenues Over (Under) Expenditures</b>	<b>(178)</b>		
<b>Modified Unencumbered Cash - Beginning</b>	<u>178</u>		
<b>Modified Unencumbered Cash - Ending</b>	\$ <u>-</u>		
<b>(a) Adjustment for Qualifying Budget Credits</b>			
State Aid Over Amount Budgeted	\$ 3,191		
Reimbursements Over Amount Budgeted	549,582		
No Fund Warrant Proceeds Over Amount Budgeted	300,000		
Capital Lease Proceeds Over Amount Budgeted	1,290,000		
<b>Total</b>	\$ <u>2,142,773</u>		

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Notes to Financial Statements

June 30, 2011

**NOTE 10 - COMPLIANCE WITH K.S.A. 72-6417(d) AND K.S.A. 72-6434(d) (continued)**

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
**Supplemental General Fund**  
 Statutory Revenues and Expenditures - Statutory and Budget  
 For the Year Ended June 30, 2011

	<u>Statutory Transactions</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<b>Statutory Revenues</b>			
Taxes and Shared Revenues			
Taxes	\$ 5,480,732	4,967,702	513,030
Intergovernmental Revenues			
Equalization Aid	<u>805,562</u>	<u>817,260</u>	<u>(11,698)</u>
<b>Total Statutory Revenues</b>	<u><b>6,286,294</b></u>	<u><b>5,784,962</b></u>	<u><b>501,332</b></u>
<b>Expenditures</b>			
Instruction	6,003,857	6,071,282	67,425
General Administration	8,974	8,975	1
Adjustment to Comply With Legal Max	<u>-</u>	<u>(67,426)</u>	<u>(67,426)</u>
<b>Total Expenditures and Legal         Supplemental General Fund Budget</b>	<u><b>6,012,831</b></u>	<u><b>6,012,831</b></u>	<u><b>-</b></u>
<b>Statutory Revenues Over (Under) Expenditures</b>	<b>273,463</b>		
<b>Modified Unencumbered Cash - Beginning</b>	<u><b>295,295</b></u>		
<b>Modified Unencumbered Cash - Ending</b>	<u><u><b>\$ 568,758</b></u></u>		

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Supplementary Information



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

To the Board of Education  
**Unified School District No. 489 Hays, Kansas**  
Hays, Kansas

We have audited the financial statements of **Unified School District No. 489 Hays, Kansas** as of and for the year ended June 30, 2011, and have issued our report thereon dated December 12, 2011. The report on the audited financial statements was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America and did not include Unified School District No. 489 Hays, Kansas Foundation for Educational Excellence, which is a component unit; however, it was unqualified as presented on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered **Unified School District No. 489 Hays, Kansas'** 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 **Unified School District No. 489 Hays, Kansas'** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 489 Hays, Kansas'** internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as 2011-A, that we consider to be a significant deficiency in internal control over financial reporting. 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 **Unified School District No. 489 Hays, Kansas'** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of **Unified School District No. 489 Hays, Kansas**, in a separate letter dated December 12, 2011.

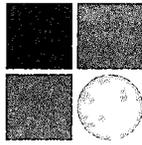
**Unified School District No. 489 Hays, Kansas'** response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit **Unified School District No. 489 Hays, Kansas'** response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Education, others within the entity, federal awarding agencies and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran & Ball*

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

December 12, 2011



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

To the Board of Education  
**Unified School District No. 489 Hays, Kansas**  
Hays Kansas

**Compliance**

We have audited **Unified School District No. 489 Hays, Kansas'** compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of **Unified School District No. 489 Hays, Kansas'** major federal programs for the year ended June 30, 2011. **Unified School District No. 489 Hays, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of **Unified School District No. 489 Hays, Kansas'** management. Our responsibility is to express an opinion on **Unified School District No. 489 Hays, Kansas'** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the *Kansas Municipal Audit Guide*; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Unified School District No. 489 Hays, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **Unified School District No. 489 Hays, Kansas'** compliance with those requirements.

In our opinion, **Unified School District No. 489 Hays, Kansas** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

**Internal Control Over Compliance**

Management of **Unified School District No. 489 Hays, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered **Unified School District No. 489 Hays, Kansas'** internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance

with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 489 Hays, Kansas'** internal control over compliance.

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

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

This report is intended solely for the information and use of management, the Board of Education, others within the entity, federal awarding agencies and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran & Ball*

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

December 12, 2011

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2011

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Qualified

Internal control over financial reporting:

- Material weakness identified?        Yes   X   No
- Significant deficiency identified?   X   Yes        None reported
- Noncompliance material to financial statements noted?        Yes   X   No

**FEDERAL AWARDS**

Internal control over major programs:

- Material weakness identified?        Yes   X   No
- Significant deficiency identified?        Yes   X   None reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133 ?        Yes   X   No

Identification of major programs:

CFDA Number	Name of Federal Program
Child Nutrition Cluster	
10.553	School Breakfast Program
10.555	National School Lunch Program
10.559	Summer Food Service Program for Children
Title I, Part A Cluster -	
84.010	Title I Grants to Local Educational Agencies
84.389	Title I Grants to Local Educational Agencies, Recovery Act
Special Education Cluster -	
84.027	Special Education - Grants to States
84.173	Special Education - Preschool Grants
84.391	Special Education - Grants to States, Recovery Act
84.392	Special Education - Preschool Grants, Recovery Act
Head Start Cluster	
93.600	Head Start
93.708	ARRA - Head Start
93.709	ARRA - Early Head Start
Other Grants -	
84.410	Education Jobs Fund
93.575	Child Care and Development Block Grant

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

Auditee qualified as low-risk auditee?        Yes   X   No

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

**Significant Deficiency in Internal Control**

**2011-A**

Criteria

District personnel responsible for the accounting and reporting function should have the necessary skills and knowledge to prepare financial statements and related footnotes in conformity with the cash basis and budget laws of the State of Kansas.

Condition

District personnel responsible for the accounting and reporting function do not have the necessary skills and knowledge to prepare the District's financial statements.

Effect

Financial transactions, financial statements, and footnotes may not properly reflect financial information in accordance with the cash basis and budget laws of the State of Kansas.

Cause

Due to the limited size of the District, it is not practical to hire fully qualified staff to the extent that they possess all of the skills required in order to apply the statutory basis of accounting including relevant note disclosures.

Recommendation

Continual training of accounting personnel should be implemented to ensure financial transactions and financial statements are being presented as accurately as possible.

Views of responsible officials and planned corrective actions

The District is aware that personnel responsible for the accounting and reporting function do not have the necessary skills and knowledge to apply the statutory basis of accounting. However, due to the size and financial resources of the District, it would not be feasible to obtain the necessary training.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No material findings or questioned costs are required to be disclosed under OMB Circular A-133.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2011

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No material findings or questioned costs for the year ended June 30, 2010 are required to be disclosed under OMB Circular A-133.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Passed Through Kansas State Department of Education			
<b>Food Service Fund</b>			
<b>Child Nutrition Cluster</b>			
School Breakfast Program	10.553	3529-3490 3490 9904	\$ 105,582
National School Lunch Program	10.555	3530-3500 3500 9902/03/12	587,116
Summer Food Service Program for Children	10.559	3230-3020 3020 9923/25/88	<u>17,101</u>
<b>Total Child Nutrition Cluster</b>			<u>709,799</u>
<b>Food Service Fund</b>			
Child and Adult Care Food Program	10.558	3531-3510 3510 9916/21	<u>66,740</u>
<b>Capital Outlay Fund</b>			
State Administrative Expenses for Child Nutrition	10.560	3230-3020 R201	<u>1,250</u>
<b>U.S. Department of Education</b>			
Passed Through Kansas State Board of Education			
<b>Title I Funds</b>			
Title I Grants to Local Educational Agencies	84.010	3532-3520 3520	302,996
Title I Grants to Local Educational Agencies - Recovery Act	84.389	3532-3525 3525	<u>136,103</u>
<b>Total Title I</b>			<u>439,099</u>
<b>Title I Carry Over</b>			
Title I Grants to Local Educational Agencies	84.010	3532-3520 3520	<u>62,000</u>
<b>Title I Migrant Fund</b>			
Migrant Education - Basic State Grant Program	84.011	3537-3570 3570	<u>89,700</u>
<b>Coop Special Education Fund</b>			
Special Education - Grants to States (IDEA Part B)	84.027	3234-3050 3050 1000/5000	892,448
Special Education - Preschool Grants (IDEA Preschool)	84.173	3535-3550 3550 1000	26,871
Special Education - Grants to States (IDEA Part B) Recovery Grant	84.391	3234-3055 3055	460,809
Special Education - Preschool Grants (IDEA Preschool) Recovery Grant	84.392	3535-3555 3555	<u>19,408</u>
<b>Total Coop Special Education Fund</b>			<u>1,399,536</u>
<b>Vocational Education Fund</b>			
Vocational Ed - Basic Grants to States	84.048	3539-3590 3590 9920	<u>26,482</u>
<b>Title II A Teacher Quality Fund</b>			
Improving Teacher Quality State Grants	84.367	3256-3860 3860	<u>147,375</u>
<b>General Fund</b>			
State Fiscal Stabilization Fund - Education State Grants Recovery Act	84.394	3790-3790 3790	<u>298,719</u>
<b>Title II D Technology Fund</b>			
Education Technology State Grants	84.318	3233-3040 3040 9963	<u>1,417</u>
<b>Title IV Drug Free Fund</b>			
Safe and Drug Free Schools and Communities - State Grant	84.186	3795-3100 3100 1000	<u>5</u>
<b>General Fund</b>			
Education Jobs Funds	84.410	3551-3551 3551	<u>523,057</u>
<b>Title III English Language Fund</b>			
English Language Acquisition Grants	84.365	3522-3820 3820	<u>12,611</u>

See accompanying notes to schedule of expenditures of federal awards.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditures
<b>U.S. Department of Health and Human Services</b>			
Direct Programs			
<b>Head Start Fund</b>			
Head Start Program	93.600	2K96G	<u>902,349</u>
<b>Early Head Start Fund</b>			
Head Start Program	93.600	2K96G	<u>205,432</u>
<b>Head Start Recovery Act</b>			
Head Start - Recovery Act	93.708	2K96G	18,621
Head Start - Recovery Act	93.708	2K96G	29,708
Head Start - Recovery Act	93.708	2K96G	69,851
Early Head Start - Recovery Act	93.709	2K96G	<u>301,651</u>
<b>Total Head Start Recovery Act</b>			<u>419,831</u>
Passed Through Kansas Department of Social Rehabilitation Services			
Child Care and Development Block Grant	93.575	05-07CH0406	<u>471,860</u>
<b>Total Head Start Funds</b>			<u>1,999,472</u>
Passed Through Kansas Department of Social Rehabilitation Services			
<b>Strengthening Families Fund</b>	93.590	N/A	<u>14,510</u>
<b>Total Expenditures of Federal Awards</b>			<b>\$ <u>5,791,772</u></b>

See accompanying notes to schedule of expenditures of federal awards.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2011

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Unified School District No. 489 Hays, Kansas**, and is presented on the basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.



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Certified  
Public  
Accountants

December 12, 2011

To the Board of Education and Management  
**Unified School District No. 489 Hays, Kansas**  
Hays, Kansas

### Management Letter

In planning and performing our audit of the primary government financial statements of **Unified School District No. 489 Hays, Kansas**, as of and for the year ended June 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) 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. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We consider the following deficiency in the District's internal control to be a significant deficiency.

- Statement on Auditing Standard No. 115 (SAS No. 115) requires client personnel responsible for the accounting and reporting function to have the necessary skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or when preparing financial statements. Due to the limited size of the District, it is not practical to hire fully qualified staff to the extent that they possess all the skills in order to apply generally accepted accounting principles when preparing financial statements, including relevant footnote disclosures. It is important to note that the accounting personnel of the District are not expected to have this kind of knowledge. In order to obtain the necessary knowledge, the personnel would have to obtain extensive, continuous training, which is not feasible.

We would like to express our appreciation for the opportunity to perform the June 30, 2011 audit for **Unified School District No. 489 Hays, Kansas** and to the employees for the cooperation and assistance given to us during the audit.

**Unified School District No. 489 Hays, Kansas**

Page 2

December 12, 2011

This communication is intended solely for the information and use of management, the Board of Education, others within the administration, State of Kansas, and applicable federal agencies, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran & Ball*

**ADAMS, BROWN, BERAN & BALL, CHTD.**

Certified Public Accountants