

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
ATTICA, KANSAS

FINANCIAL STATEMENTS
JUNE 30, 2011

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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JUNE 30, 2011**

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BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Education
Attica Unified School District No. 511
Attica, Kansas**

We have audited the accompanying financial statements of **Attica Unified School District No. 511, Attica, Kansas**, as of and for the year ended **June 30, 2011**, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year partial comparative financial information has been derived from the District's 2010 financial statements and, in our report dated August 30, 2010, we expressed an unqualified opinion that the financial statements were fairly presented in accordance with the cash basis and budget laws of the State of Kansas.

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

As described more fully in Note 1, **Attica Unified School District No. 511, Attica, Kansas**, has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Attica Unified School District No. 511, Attica, Kansas**, as of **June 30, 2011**, or the changes in its financial position for the year then ended.

**Board of Education
Attica Unified School District No. 511**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of **Attica Unified School District No. 511, Attica, Kansas**, as of **June 30, 2011**, and its cash receipts and expenditures and budgetary comparisons for the year then ended, on the basis of accounting described in Note 1.

Our audit was performed for the purpose of forming an opinion on the financial statements of **Attica Unified School District No. 511, Attica, Kansas**, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Busy Ford & Reimer, LLC
Busy Ford & Reimer, LLC
August 30, 2011

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
FOR THE YEAR ENDED JUNE 30, 2011

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	(92,192)	0	1,396,954	1,369,930	(65,168)	63,560	(1,608)
Special Revenue Funds							
Supplemental General	160,000	0	289,391	336,590	112,801	54,111	166,912
At Risk (K-12)	10,000	0	98,635	103,635	5,000	984	5,984
Capital Outlay	435,530	0	61,030	60,682	435,878	0	435,878
Driver Training	10,451	0	1,592	2,147	9,896	350	10,246
Food Service	18,145	0	111,966	109,912	20,199	1,498	21,697
Professional Development	0	0	0	0	0	0	0
Parent Education	21,893	0	8,648	23,451	7,090	0	7,090
Special Education	46,342	0	238,555	253,406	31,491	17,223	48,714
Vocational Education	0	0	34,842	34,842	0	0	0
KPERS Contribution	0	0	98,651	98,651	0	0	0
Federal Funds	38	0	53,180	49,618	3,600	0	3,600
Gifts and Grants	1,000	0	8,463	6,457	3,006	0	3,006
Contingency Reserve	85,719	0	0	0	85,719	0	85,719
Textbook and Student Material							
Revolving	14,107	0	13,458	15,033	12,532	13,191	25,723
District Activity Funds	327	0	8,026	7,446	907	0	907
	<u>\$ 711,360</u>	<u>\$ 0</u>	<u>\$ 2,423,391</u>	<u>\$ 2,471,800</u>	<u>\$ 662,951</u>	<u>\$ 150,917</u>	<u>\$ 813,868</u>

Composition of Cash:	
Checking Accounts	\$ 156,837
Money Market Account	673,058
	829,895
Agency Funds	(16,027)
	<u>\$ 813,868</u>

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

**ATTICA UNIFIED SCHOOL DISTRICT NO. 511
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011**

Fund	Certified Budget	Adjustment to		Adjustment for		Total Budget for Comparison	Expenditures		Variance - Favorable
		Legal Max	Comply with	Budget Credits	Qualifying		Chargeable to Current Year	(Unfavorable)	
General Fund	\$ 1,372,104	\$ (12,264)	\$	10,090	\$	1,369,930	\$	1,369,930	\$ 0
Special Revenue Funds									
Supplemental General	425,000	0	0	0	425,000	336,590	88,410		
At Risk (K-12)	150,000	0	0	0	150,000	103,635	46,365		
Capital Outlay	490,531	0	0	0	490,531	60,682	429,849		
Driver Training	11,151	0	0	0	11,151	2,147	9,004		
Food Service	141,000	0	0	0	141,000	109,912	31,088		
Professional Development	0	0	0	0	0	0	0		
Parent Education	51,571	0	0	0	51,571	23,451	28,120		
Special Education	270,000	0	0	0	270,000	253,406	16,594		
Vocational Education	35,000	0	0	0	35,000	34,842	158		
KPERS Contribution	82,165	0	0	0	82,165	98,651	(16,486)		
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	49,618	XXXXXXXXXX		
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	6,457	XXXXXXXXXX		
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX		
Textbook and Student Material									
Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	15,033	XXXXXXXXXX		
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	7,446	XXXXXXXXXX		
	<u>\$ 3,028,522</u>	<u>\$ (12,264)</u>	<u>\$</u>	<u>10,090</u>	<u>\$ 3,026,348</u>	<u>\$ 2,471,800</u>	<u>\$ 633,102</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>General Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	Actual	Actual	Budget	(Unfavorable)
Cash Receipts				
Local Sources	\$ 366,368	\$ 271,558	\$ 239,450	\$ 32,108
State Sources	945,389	1,059,284	1,108,568	(49,284)
Federal Sources	65,895	66,112	24,032	42,080
	<u>1,377,652</u>	<u>1,396,954</u>	<u>\$ 1,372,050</u>	<u>\$ 24,904</u>
Expenditures				
Instruction	711,343	719,742	\$ 727,826	\$ 8,084
Student Support Services	11,986	15,825	11,890	(3,935)
Instructional Support Staff	0	325	0	(325)
General Administration	108,355	103,647	77,500	(26,147)
School Administration	58,357	49,466	58,850	9,384
Operations & Maintenance	100,800	68,944	56,050	(12,894)
Operations & Maintenance				
Transportation	4,239	4,250	4,250	0
Student Transportation Services	39,183	59,741	55,540	(4,201)
Other Supplemental Services	5,292	3,733	6,510	2,777
Community Service Operations	1,628	3,000	3,000	0
Transfers	333,937	341,257	370,688	29,431
Adjustment to Comply With Legal				
Max	0	0	(12,264)	(12,264)
Adjustment for Qualifying Budget				
Credits	0	0	10,090	10,090
	<u>1,375,120</u>	<u>1,369,930</u>	<u>\$ 1,369,930</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	2,532	27,024		
Unencumbered Cash, Beginning	(94,724)	(92,192)		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ (92,192)</u>	<u>\$ (65,168)</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Supplemental General Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	Actual	Actual	Budget	(Unfavorable)
Cash Receipts				
Local Sources	\$ 332,006	\$ 271,745	\$ 249,530	\$ 22,215
County Sources	16,514	17,646	15,470	2,176
	<u>348,520</u>	<u>289,391</u>	<u>\$ 265,000</u>	<u>\$ 24,391</u>
Expenditures				
Instruction	34,296	89,768	\$ 75,000	\$ (14,768)
Student Support Services	3,438	950	4,360	3,410
Instructional Support Staff	2,486	821	11,000	10,179
General Administration	68,012	65,355	80,550	15,195
School Administration	6,096	5,321	7,000	1,679
Operations & Maintenance	66,644	88,866	118,000	29,134
Operations & Maintenance				
Transportation	0	0	5,000	5,000
Student Transportation Services	20,494	0	20,000	20,000
Transfers	79,300	85,509	104,090	18,581
	<u>280,766</u>	<u>336,590</u>	<u>\$ 425,000</u>	<u>\$ 88,410</u>
Receipts Over (Under) Expenditures	67,754	(47,199)		
Unencumbered Cash, Beginning	92,246	160,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 160,000</u>	<u>\$ 112,801</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>At Risk Fund (K-12)</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
Cash Receipts				
Transfers	\$ 113,551	\$ 98,635	\$ 140,000	\$ (41,365)
	<u>113,551</u>	<u>98,635</u>	<u>\$ 140,000</u>	<u>\$ (41,365)</u>
Expenditures				
Instruction	58,455	53,294	\$ 79,900	\$ 26,606
Student Support Services	10,611	10,744	12,310	1,566
Instructional Support Staff	28,271	24,603	28,620	4,017
School Administration	9,117	11,261	19,260	7,999
Other Supplemental Services	5,097	3,733	0	(3,733)
Operations & Maintenance	0	0	9,910	9,910
	<u>111,551</u>	<u>103,635</u>	<u>\$ 150,000</u>	<u>\$ 46,365</u>
Receipts Over (Under) Expenditures	2,000	(5,000)		
Unencumbered Cash, Beginning	8,000	10,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 10,000</u>	<u>\$ 5,000</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Capital Outlay Fund</u>	Current Year			Variance - Favorable (Unfavorable)
	Prior Year			
	Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 84,190	\$ 57,002	\$ 51,477	\$ 5,525
County Sources	4,140	4,028	3,524	504
	88,330	61,030	\$ 55,001	\$ 6,029
Expenditures				
Instruction	14,911	3,425	\$ 120,000	\$ 116,575
Student Support Services	0	0	25,000	25,000
Instructional Support Staff	0	0	25,000	25,000
General Administration	0	0	25,000	25,000
School Administration	548	0	25,000	25,000
Central Services	0	0	25,000	25,000
Operations & Maintenance	10,070	7,710	40,000	32,290
Transportation	46,000	0	80,531	80,531
Other Support Services	0	0	20,000	20,000
Facility Acquisition & Construction Services	21,350	49,547	105,000	55,453
	92,879	60,682	\$ 490,531	\$ 429,849
Receipts Over (Under) Expenditures	(4,549)	348		
Unencumbered Cash, Beginning	440,079	435,530		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	\$ 435,530	\$ 435,878		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Driver Training Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	Actual	Actual	Budget	(Unfavorable)
Cash Receipts				
Local Sources	\$ 276	\$ 1,000	\$ 0	\$ 1,000
State Sources	300	592	700	(108)
Transfers	3,209	0	0	0
	<u>3,785</u>	<u>1,592</u>	<u>\$ 700</u>	<u>\$ 892</u>
Expenditures				
Instruction	3,232	1,797	\$ 3,581	\$ 1,784
School Administration	2,151	0	2,210	2,210
Operations & Maintenance	0	0	2,360	2,360
Vehicle Operations, Maintenance Services	1,259	350	3,000	2,650
	<u>6,642</u>	<u>2,147</u>	<u>\$ 11,151</u>	<u>\$ 9,004</u>
Receipts Over (Under) Expenditures	(2,857)	(555)		
Unencumbered Cash, Beginning	13,308	10,451		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 10,451</u>	<u>\$ 9,896</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Food Service Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	Actual	Actual	Budget	(Unfavorable)
Cash Receipts				
Local Sources	\$ 31,878	\$ 35,293	\$ 36,475	\$ (1,182)
State Sources	1,422	893	736	157
Federal Sources	40,381	38,418	38,691	(273)
Transfers	<u>15,000</u>	<u>37,362</u>	<u>46,953</u>	<u>(9,591)</u>
	<u>88,681</u>	<u>111,966</u>	<u>\$ 122,855</u>	<u>\$ (10,889)</u>
Expenditures				
Operations & Maintenance	13,365	19,013	\$ 38,160	\$ 19,147
Food Service Operations	<u>92,218</u>	<u>90,899</u>	<u>102,840</u>	<u>11,941</u>
	<u>105,583</u>	<u>109,912</u>	<u>\$ 141,000</u>	<u>\$ 31,088</u>
Receipts Over (Under) Expenditures	(16,902)	2,054		
Unencumbered Cash, Beginning	35,047	18,145		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 18,145</u>	<u>\$ 20,199</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Professional Development Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	Actual	Actual	Budget	(Unfavorable)
Cash Receipts				
State Sources	\$ 312	\$ 0	\$ 0	\$ 0
Transfers	<u>1,790</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2,102</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures				
Instructional Support Staff	792	0	\$ 0	\$ 0
Other Supplemental Services	<u>1,310</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2,102</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Parent Education Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
Cash Receipts				
State Sources	\$ 31,251	\$ 0	\$ 0	\$ 0
Transfers	<u>17,380</u>	<u>8,648</u>	<u>29,678</u>	<u>(21,030)</u>
	<u>48,631</u>	<u>8,648</u>	<u>\$ 29,678</u>	<u>\$ (21,030)</u>
Expenditures				
Student Support Services	23,897	18,351	\$ 46,131	\$ 27,780
Instructional Support Staff	2,841	3,227	5,440	2,213
Other Supplemental Services	<u>0</u>	<u>1,873</u>	<u>0</u>	<u>(1,873)</u>
	<u>26,738</u>	<u>23,451</u>	<u>\$ 51,571</u>	<u>\$ 28,120</u>
Receipts Over (Under) Expenditures	21,893	(14,803)		
Unencumbered Cash, Beginning	0	21,893		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 21,893</u>	<u>\$ 7,090</u>		

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

**ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)**

<u>Special Education Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	Actual	Actual	Budget	(Unfavorable)
Cash Receipts				
Local Sources	\$ 328	\$ 272	\$ 300	\$ (28)
Federal Sources	0	1,004	210	794
Transfers	<u>212,729</u>	<u>237,279</u>	<u>223,147</u>	<u>14,132</u>
	<u>213,057</u>	<u>238,555</u>	<u>\$ 223,657</u>	<u>\$ 14,898</u>
Expenditures				
Instruction	196,614	224,605	\$ 227,281	\$ 2,676
General Administration	0	6,495	11,550	5,055
School Administration	0	0	14,660	14,660
Operations & Maintenance	8,107	12,991	16,509	3,518
Student Transportation Services	<u>15,279</u>	<u>9,315</u>	<u>0</u>	<u>(9,315)</u>
	<u>220,000</u>	<u>253,406</u>	<u>\$ 270,000</u>	<u>\$ 16,594</u>
Receipts Over (Under) Expenditures	(6,943)	(14,851)		
Unencumbered Cash, Beginning	53,285	46,342		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 46,342</u>	<u>\$ 31,491</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Vocational Education Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
Cash Receipts				
Transfers	\$ 34,578	\$ 34,842	\$ 35,000	\$ (158)
	<u>34,578</u>	<u>34,842</u>	<u>\$ 35,000</u>	<u>\$ (158)</u>
Expenditures				
Instruction	34,578	34,842	\$ 35,000	\$ 158
	<u>34,578</u>	<u>34,842</u>	<u>\$ 35,000</u>	<u>\$ 158</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>KPERS Contribution Fund</u>	Current Year			Variance - Favorable (Unfavorable)
	Prior Year			
	Actual	Actual	Budget	
Cash Receipts				
State Sources	\$ 33,053	\$ 98,651	\$ 82,166	\$ 16,485
	33,053	98,651	\$ 82,166	\$ 16,485
Expenditures				
Instruction	22,146	66,097	\$ 55,050	\$ (11,047)
Student Support Services	330	2,884	3,287	403
Instructional Support Staff	661	1,973	1,643	(330)
General Administration	2,975	8,879	7,395	(1,484)
School Administration	1,653	5,565	4,930	(635)
Operations and Maintenance	992	3,742	1,643	(2,099)
Student Transportation Services	2,314	4,225	4,108	(117)
Other Supplemental Services	991	3,592	3,287	(305)
Food Service Operations	991	1,694	822	(872)
	33,053	98,651	\$ 82,165	\$ (16,486)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	\$ 0	\$ 0		

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

<u>Federal Funds</u>	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 57,201	\$ 53,180
	57,201	53,180
 Expenditures		
Instruction	57,853	46,371
General Administration	3,227	3,247
	61,080	49,618
 Receipts Over (Under) Expenditures	(3,879)	3,562
 Unencumbered Cash, Beginning	3,917	38
 Prior Year Canceled Encumbrances	0	0
 Unencumbered Cash, Ending	\$ 38	\$ 3,600

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

Gifts and Grants Funds

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Local Sources	\$ 6,000	\$ 8,463
	<u>6,000</u>	<u>8,463</u>
 Expenditures		
Instruction	5,000	6,457
	<u>5,000</u>	<u>6,457</u>
 Receipts Over (Under) Expenditures	1,000	2,006
 Unencumbered Cash, Beginning	0	1,000
 Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
 Unencumbered Cash, Ending	<u>\$ 1,000</u>	<u>\$ 3,006</u>

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 5,000	\$ 0
	5,000	0
Expenditures	0	0
Receipts Over (Under) Expenditures	5,000	0
Unencumbered Cash, Beginning	80,719	85,719
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	\$ 85,719	\$ 85,719

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

Textbook and Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 3,105	\$ 3,458
Transfers	<u>10,000</u>	<u>10,000</u>
	<u>13,105</u>	<u>13,458</u>
 Expenditures		
Instruction	<u>7,037</u>	<u>15,033</u>
	<u>7,037</u>	<u>15,033</u>
 Receipts Over (Under) Expenditures	6,068	(1,575)
 Unencumbered Cash, Beginning	8,039	14,107
 Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
 Unencumbered Cash, Ending	<u>\$ 14,107</u>	<u>\$ 12,532</u>

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
AGENCY FUNDS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2011

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Attica High School				
Student Council	\$ 646	\$ 2,960	\$ 3,415	\$ 191
High School Cheerleaders	3,370	1,073	3,145	1,298
Jr High Cheerleaders	1,868	3,955	5,191	632
Junior Concessions	0	16,204	16,204	0
Honor Society	207	1,053	791	469
Service Learning	175	413	35	553
Class of 2008	253	0	0	253
Class of 2009	681	0	0	681
Class of 2010	487	0	0	487
Class of 2011	5,350	261	5,457	154
Class of 2012	4,946	9,177	7,259	6,864
Class of 2013	1,312	2,137	1,564	1,885
Class of 2014	597	3,567	2,243	1,921
Class of 2015	155	717	345	527
Class of 2016	0	112	0	112
Band Trip	0	14,578	14,578	0
Pre School Fund	178	0	178	0
Stuco Scholarship	468	0	468	0
	<u>\$ 20,693</u>	<u>\$ 56,207</u>	<u>\$ 60,873</u>	<u>\$ 16,027</u>

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
DISTRICT ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
FOR THE YEAR ENDED JUNE 30, 2011

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
High School							
Gate Receipts	\$ 0	\$ 0	\$ 7,147	\$ 7,147	\$ 0	\$ 0	\$ 0
School Play	0	0	181	0	181	0	181
Principal's Fund	302	0	698	274	726	0	726
Vocational Account	25	0	0	25	0	0	0
	<u>\$ 327</u>	<u>\$ 0</u>	<u>\$ 8,026</u>	<u>\$ 7,446</u>	<u>\$ 907</u>	<u>\$ 0</u>	<u>\$ 907</u>

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 1 - Summary of Significant Accounting Policies:

Reporting Entity

Attica Unified School District No. 511 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Attica, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statements include all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

Basis of Presentation – Fund Accounting

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

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

Governmental Funds

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

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

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased.

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

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

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

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

Budget and Tax Cycle

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

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

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

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

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

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

Federal Funds	Gifts and Grants Fund
Contingency Reserve Fund	Textbook and Student Material Revolving Fund
District Activity Funds	

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

Note 2 - Compensated Absences:

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

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

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

The District recognizes as revenues and expenses contributions made by the State of Kansas to the Kansas Public Employees Retirement System (KPERs) on behalf of the District's employees. For the year ended June 30, 2011, the State made contributions of \$63,262. These contributions are recorded in the KPERs Contribution Fund as receipts and expenditures.

Note 4 - Prior Year Balances:

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

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 5 - Deposits:

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2011.

At June 30, 2011, the District's carrying amount of deposits was \$829,895 and the bank balance was \$1,028,599. The bank balance is held by one bank. Of the bank balance, \$500,000 was covered by depository insurance, and the remaining \$528,599 was collateralized with securities held by the pledging financial institution's agent in the District's name.

Note 6 - Interfund Transactions:

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

	Transfer to:						Total
	At Risk (K-12)	Food Service	Parent Education	Special Education	Vocational Education	Textbook Rental	
Transfer from:							
General Fund	\$ 93,635	\$ 17,362	\$ 8,648	\$ 186,770	\$ 34,842	\$ 0	\$ 341,257
Supplemental General Fund	5,000	20,000	0	50,509	0	10,000	85,509
	<u>\$ 98,635</u>	<u>\$ 37,362</u>	<u>\$ 8,648</u>	<u>\$ 237,279</u>	<u>\$ 34,842</u>	<u>\$ 10,000</u>	<u>\$ 426,766</u>

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 7 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

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

Note 8 - Defined Benefit Pension Plan:

Plan Description

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

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at a minimum of 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 9.17% of covered payroll for the year ended June 30, 2011. These contribution requirements are established by KPERS and are periodically revised. Kansas contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010 and 2009 were \$253,834,044, \$248,468,186 and \$242,277,363 respectively, equal to the required contributions for each year.

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 9 - Contingencies:

Grant Programs

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

Risk Management

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

Note 10 - Reimbursed Expenses:

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

Note 11 - Subsequent Events:

The District has evaluated subsequent events through August 30, 2011, the date which the financial statements were available to be issued.

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 12 - Compliance with K.S.A. 72-6417(d):

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

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

	<u>General Fund</u>		Variance - Favorable
	Statutory Transactions	Budget	(Unfavorable)
Statutory Revenues			
Local Sources	\$ 271,558	\$ 239,450	\$ 32,108
State Sources	1,032,260	1,108,568	(76,308)
Federal Sources	66,112	24,032	42,080
	1,369,930	\$ 1,372,050	\$ (2,120)
Expenditures			
Instruction	719,742	\$ 727,826	\$ 8,084
Student Support Services	15,825	11,890	(3,935)
Instructional Support Staff	325	0	(325)
General Administration	103,647	77,500	(26,147)
School Administration	49,466	58,850	9,384
Operations & Maintenance	68,944	56,050	(12,894)
Operations & Maintenance Transportation	4,250	4,250	0
Student Transportation Services	59,741	55,540	(4,201)
Other Supplemental Services	3,733	6,510	2,777
Community Service Operations	3,000	3,000	0
Transfers	341,257	370,688	29,431
Adjustment to Comply With Legal Max	0	(12,264)	(12,264)
Adjustment for Qualifying Budget Credits	0	10,090	10,090
	1,369,930	\$ 1,369,930	\$ 0
Receipts Over (Under) Expenditures	0		
Modified Unencumbered Cash, Beginning	0		
Prior Year Canceled Encumbrances	0		
Modified Unencumbered Cash, Ending	\$ 0		

ATTICA UNIFIED SCHOOL DISTRICT NO. 511
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

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

KPERS Contribution

	<u>Statutory</u>	<u>Budget</u>	<u>Variance -</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Transactions</u>		
Statutory Revenues			
State Sources	\$ 63,262	\$ 82,166	\$ (18,904)
	<u>63,262</u>	<u>\$ 82,166</u>	<u>\$ (18,904)</u>
 Expenditures			
Instruction	42,386	\$ 55,051	\$ 12,665
Student Support Services	2,530	3,287	757
Instructional Support Staff	1,265	1,643	378
General Administration	5,694	7,395	1,701
School Administration	3,796	4,930	1,134
Operations and Maintenance	3,163	1,643	(1,520)
Student Transportation Services	2,530	4,108	1,578
Other Supplemental Services	1,265	3,287	2,022
Food Service Operations	633	822	189
	<u>63,262</u>	<u>\$ 82,166</u>	<u>\$ 18,904</u>
 Receipts Over (Under) Expenditures	0		
 Modified Unencumbered Cash, Beginning	0		
 Prior Year Canceled Encumbrances	<u>0</u>		
 Modified Unencumbered Cash, Ending	<u>\$ 0</u>		

FEDERAL AWARD INFORMATION

**ATTICA UNIFIED SCHOOL DISTRICT NO. 511
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Grant Title	Federal CFDA No.	Program Amount	Unencumbered Cash		Receipts	Expenditures	Unencumbered Cash 6-30-11
			7-1-10	6-30-11			
Department of Education Rural Education Achievement Program	84.358	\$ 13,525	\$ 0	\$ 0	\$ 13,525	\$ 13,525	\$ 0
<u>(Passes Through Kansas Department of Education)</u>							
Department of Agriculture School Breakfast Program	10.553	6,086					
National School Lunch Program	10.555	32,332					
		<u>38,418</u>	<u>0</u>	<u>0</u>	<u>38,418</u>	<u>38,418</u>	<u>0</u>
Department of Education Title I Low Income	84.010	31,387	638		31,387	28,835	3,190
Title II Tech Lit	84.318	106	0		106	106	0
Title II-A Teacher Quality	84.367	5,926	(600)		6,526	5,516	410
Title II Tech Lit-ARRA	84.386	436	0		436	436	0
Stabilization-2009 ARRA	84.394	24,032	0		24,032	24,032	0
Education Jobs Fund	84.410	42,080	0		42,080	42,080	0
		<u>103,967</u>	<u>38</u>	<u>104,567</u>	<u>101,005</u>	<u>101,005</u>	<u>3,600</u>
<u>(Passes Through South Central KS Education Service Center)</u>							
Department of Education Perkins Vocational Education	84.048	1,200	0		1,200	1,200	0
<u>(Passes Through Kansas SRS)</u>							
Department of Health and Human Services Medicaid	93.778	1,004	0		1,004	1,004	0
Total Federal Awards		\$ 158,114	\$ 38	\$ 158,714	\$ 155,152	\$ 155,152	\$ 3,600