Independent Auditors' Report and Financial Statement

For the Year Ended June 30, 2012

FOR THE YEAR ENDED JUNE 30, 2012

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WHITEWATER, KANSAS

FOR THE YEAR ENDED JUNE 30, 2012

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INDEPENDENT AUDITORS' REPORT

Board of Education Unified School District No. 206 Whitewater, Kansas 67154

We have audited the summary statement of cash receipts, expenditures and unencumbered cash balances of Unified School District No. 206, Whitewater, Kansas, as of and for the year ended June 30, 2012. This financial statement is the responsibility of the Unified School District No. 206's management. Our responsibility is to express an opinion on the financial statement 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 and guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Unified School District No. 206 has prepared the financial statement using 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 effects on the financial statement of the variances between these statutory 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 statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 206 as of June 30, 2012, or the changes in its financial position for the year then ended.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 206, Whitewater, Kansas, as of June 30, 2012, and the aggregate cash receipts and expenditures 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 November 9, 2012, on our consideration of Unified School District No. 206's 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the June 30, 2012 financial statement as a whole. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual, schedule of cash receipts and cash disbursements-agency funds, schedule of cash receipts, expenditures and unencumbered cash (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the June 30, 2012 financial statement. Such information is the responsibility of management and the June 30, 2012 supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the June 30, 2012 financial statement. The June 30, 2012 information has been subjected to the auditing procedures applied in the audit of the June 30, 2012 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the June 30, 2012 financial statement or to the June 30, 2012 financial statement itself, 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 June 30, 2012 financial statement as a whole.

The June 30, 2011 Actual column presented in the individual fund schedules of cash receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the June 30, 2011 financial statement upon which we rendered an unqualified opinion dated November 8, 2011. The June 30, 2011 financial statement and our accompanying report are not presented herein, but are available from the Unified School District No. 206 administration office located at 110 S. Main, Whitewater, Kansas 67154 or by calling 316-799-2115. Such June 30, 2011 comparative information is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the June 30, 2011 financial statements. The June 30, 2011 comparative information was subjected to the auditing procedures applied in the audit of the June 30, 2011 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the June 30, 2011 financial statement or to the June 30, 2011 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the June 30, 2011 comparative information is fairly stated in all material respects in relation to the June 30, 2011 financial statement as a whole.

Bird & Company, Chartered

El Dorado, Kansas November 9, 2012

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH FOR THE YEAR ENDED JUNE 30, 2012

Funds	Beginning Unencumbered Cash Balance, As Restated	Can	Year celed brances	s	Cash Receipts	Ex	xpenditures	Une	Ending ncumbered h Balance	Enc	Add atstanding numbrances Accounts Payable	Ca	Ending ash Balance
Community I Town Fronts													
Governmental Type Funds: General Funds:													
General	\$ -	\$		\$	4.123.644	\$	4,123,193	\$	451	\$	384,600	\$	385,051
Supplemental general	78,758	ф	-	φ	1,347,013	φ	1,350,104	φ	75,667	φ	56,966	φ	132,633
Special Revenue Funds:	76,736		-		1,547,015		1,550,104		73,007		30,500		132,033
At risk (4 year old)	16,903				35,709		37,279		15,333		6,214		21,547
At risk (4-12)	99,589		-		212,939		218,577		93,951		11,536		105,487
Bilingual education	99,369		-		3,821		3,821		93,931		607		607
Capital outlay	502,525		-		220,952		197,670		525,807		39,626		565,433
Driver training	30,209		-		940		6,032		25,117		39,020		25,117
Food service	81,975		_		286,457		285,234		83,198		-		83,198
					14,050		12,040				805		· · · · · · · · · · · · · · · · · · ·
Professional development	32,213		-		14,050				34,223				35,028
Summer school	957		-		-		957				-		-
Special education	534,820		-		784,733		780,021		539,532		-		539,532
Vocational education	112,313		-		131,295		133,608		110,000		-		110,000
KPERS special retirement	-		-		370,388		370,388		-		-		-
Contingency reserve	418,000		-		-		-		418,000		-		418,000
Gifts and grants	12,493		-		91,979		94,292		10,180		585		10,765
Textbook & student material revolv.	84,416		638		22,853		10,388		97,519		-		97,519
Title I, Part A - Improving Acad.	-		-		63,325		63,325		-		-		-
Title II, Part A - Teacher quality	-		-		16,273		16,273		-		-		-
Title VI, Part B - Rural education	-		-		51,421		51,421		-		-		=
District activity funds	11,887		-		37,203		37,542		11,548		-		11,548
Debt Service Funds:													
Bond and interest	399,842		-		450,097		443,694		406,245		-		406,245
Fiduciary Type Funds:													
Nonexpendable trusts	5,029		-		1		-		5,030		-		5,030
Total Reporting Entity (Excluding Agency Funds)	\$ 2,421,929	\$	638	\$	8,265,093	\$	8,235,859	\$	2,451,801	\$	500,939	\$	2,952,740

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

${\bf SUMMARY\ OF\ CASH\ RECEIPTS, EXPENDITURES\ AND\ UNENCUMBERED\ CASH\ (Continued)}$

FOR THE YEAR ENDED JUNE 30, 2012

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	C	Ending ash Balance
Composition of Cash:				Petty Cash			\$	250
				Checking and Mon	•			2,737,576
				Checking and Savi	ngs account-Empris	se		98,336
				Certificate of depos	sit-Bank of Whitew	ater		100,000
				Activity account-En	mprise			2,813
				Activity accounts-E	Bank of Whitewater	•		37,047
				Activity certificate	of deposit-Bank of	Whitewater		6,000
				Endowment saving	s account-Emprise			5,030
				Total Cash	•			2,987,052
				Agency Funds per	Statement 4			(34,312)
			Total	Reporting Entity (E	Excluding Agency F	unds)	\$	2,952,740

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

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Unified School District No. 206, Whitewater, Kansas, is a municipal corporation governed by an elected seven-member board. These financial statements present USD No. 206 (the primary government). There are no component units as defined in Governmental Accounting Standards Boards Statement 14 which are included in the District's reporting entity.

Reimbursements

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.

Basis of Presentation - Fund Accounting

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

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

Governmental Type Funds

<u>General Funds</u> - to account for all unrestricted resources except those required to be accounted for in another fund.

<u>Special Revenue Funds</u> - to account for all proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expend for specified purposes.

<u>Debt Service Funds</u> - to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

Fiduciary Type Funds

<u>Trust and Agency Funds</u> - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include Nonexpendable Trust Funds and Student Organization Funds.

Basis of Accounting

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

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

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

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

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

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

Contingency Reserve Gifts and Grants
District Activity Funds Title Programs
Textbook & Student Material Revolving

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: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Management is not aware of any Kansas statutory violations for the fiscal year ended June 30, 2012.

NOTE 3: DEPOSITS AND INVESTMENTS

As of June 30, 2012, Unified School District No. 206 did not have any investments.

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

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

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by 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, 2012.

At June 30, 2012, the District's carrying amount of deposits was \$2,986,802 and the bank balance was \$2,810,613. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$521,127 was covered by federal depository insurance and the balance of \$2,289,486 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.

NOTE 4: DEFINED BENEFIT PENSION PLAN

Plan Description. Unified School District No. 206 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, Suite 100, Topeka, Kansas 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and 6% of covered salary for Tier 2 members. Member-employees' contributions are withheld by their employer and paid to KPERS according

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas currently contributes 9.77% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2012, 2011, and 2010 were \$298,635,383, \$253,834,044, and \$248,468,186, 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, 2012, 2011, and 2010 were \$370,388, \$209,273, and \$246,603.

NOTE 5: INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Amount</u>
General	Bilingual Education	K.S.A. 72-6428	\$ 3,821
General	Capital Outlay	K.S.A. 72-6428	207,831
General	Special Education	K.S.A. 72-6428	593,217
General	Vocational Education	K.S.A. 72-6428	21,295
General	At Risk (4 year old)	K.S.A. 72-6428	27,959
General	At Risk (K-12)	K.S.A. 72-6428	155,432
Supplemental General	Food Service	K.S.A. 72-6433	15,000
Supplemental General	Professional Development	K.S.A. 72-6433	13,883
Supplemental General	Special Education	K.S.A. 72-6433	175,000
Supplemental General	Vocational Education	K.S.A. 72-6433	110,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6433	57,507

NOTE 6: COMPENSATED ABSENCES

Educators of the District are granted ten days of sick leave at the beginning of each school year. Accumulation will accrue to eighty days with reimbursement of accrued days over seventy being paid annually. Upon fulfillment of certain conditions, retiring educators under contract with the District are eligible to receive payment of \$40.00 per day for their remaining days of unused sick leave.

Classified staff accrue sick leave each year according to the provisions in the classified handbook and at retirement, part-time, nine and ten month employees are eligible to be reimbursed for fifty percent of their accumulated sick leave days at a rate of \$10.00 per day.

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

The District had five educators and four classified personnel who were eligible at June 30, 2012 to receive remuneration for their accumulated sick days. The estimated liability to the District for the accumulated sick days is \$13,414.

NOTE 7: LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2012, were as follows:

Issue General Obligation Bonds:	Interest <u>Rates</u>	Date of <u>Issue</u>	Amount of Issue	Date of Final <u>Maturity</u>	Balance Beginning of Year	Additions	Reductions/ Payments	Net <u>Change</u>	Balance End of <u>Year</u>	Interest <u>Paid</u>
Series 2005	4.0 to 5.5%	August 1, 2005	\$6,940,000	09/01/203 0	\$6,490,000	<u>\$ -</u>	\$ 160,000		\$6,330,000	\$283,694
Total contractual Indebtedness					6,490,000	-	160,000		6,330,000	283,694
Compensated Absences	N/A	N/A	N/A	N/A	12,476			938	13,414	
Total Long- Term Debt					<u>\$6,502,476</u>	<u>\$</u>	<u>\$ 160,000</u>	<u>\$ 938</u>	<u>\$6,343,414</u>	<u>\$283,694</u>

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

									_
	2013	2014	2015	2016	2017	2018-2022	2023-2027	2028-2031	Total
Principal: General						¢1 420 000	¢1 010 000	¢1 070 000	
Obligation Bonds	\$175,000	\$190,000	\$205,000	\$225,000	\$235,000	\$1,420,000	\$1,910,000	\$1,970,000	\$ 6,330,000
Total Principal	175,000	190,000	205,000	225,000	235,000	1,420,000	1,910,000	1,970,000	6,330,000
Interest:									
General Obligation Bonds	274,881	264,844	253,981	242,156	231,269	997,644	654,691	183,319	3,102,785
Total Interest	274,881	264,844	253,981	242,156	231,269	997,644	654,691	183,319	3,102,785
Total Principal and Interest	<u>\$449,881</u>	<u>\$454,844</u>	<u>\$458,981</u>	<u>\$467,156</u>	<u>\$466,269</u>	<u>\$2,417,644</u>	<u>\$2,564,691</u>	<u>\$2,153,319</u>	<u>\$9,432,785</u>

NOTE 8: TERMINATION BENEFITS

The District provided an early retirement program for certain eligible employees that was canceled after the fiscal year ended June 30, 2009. Previous eligible instructors that retired under

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

this program may receive benefits for up to five years. Payments to retired employees under this plan were \$13,125 for the year ended June 30, 2012.

NOTE 9: OTHER POST EMPLOYMENT BENEFITS

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

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

NOTE 10: 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 for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 11: FEDERAL GRANT CONTINGENCY

In the normal course of operations, the District receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE 12: OPERATING LEASE

The District entered into an operating lease on January 19, 2011, with U.S. Bancorp Business Equipment Finance Group for copy machines supplied to District facilities by imageQUEST. The lease agreement requires 60 monthly payments of \$1,419 and is non-cancelable. During the fiscal year ended June 30, 2012, lease payments of \$18,584 were paid under this lease.

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2012

On June 22, 2011, the District entered into a lease with MailFinance, Inc. for a postage meter at the central office. The lease requires 6 payments of \$90 and 57 payments of \$129. The payments are billed to the District quarterly and during the fiscal year ended June 30, 2012, the District remitted payments totaling \$1,812 to MailFinance, Inc.

NOTE 13: PRIOR PERIOD ADJUSTMENTS

Following the requirements of a technical amendment to the 2011 Kansas Municipal Audit Guide, which governs the format and accounting for this financial statement, beginning unencumbered balances have been restated from (\$247,580) to \$0 in the General Fund and from \$53,463 to \$78,758 in the Supplemental General Fund. The technical amendment is following the statutory state aid revenue recognition as required by K.S.A. 72-6417(d) and K.S.A. 72-6434(d). The state aid payment that is received subsequent to the end of the fiscal year is recorded as an in-substance receipt in transit and included as a receipt for the fiscal year that matches the budget to which it applies. The balances have been adjusted for this change in policy.

During the fiscal year ended June 30, 2012, the District identified certain prior year cash receipts that had been recorded to the incorrect individual fund. These were corrected during fiscal year 2012, resulting in the following adjustments to unencumbered cash balances as of July 1, 2011: Capital Outlay Fund decreased \$4,954; Driver Training Fund increased \$4,954.

NOTE 14: SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 9, 2012, which is the date the financial statement was available to be issued. The following subsequent event occurred: the District issued General Obligation Refunding Bonds, Series 2012 on November 1, 2012 in the principal amount of \$6,190,000. The interest rates on the refunding bonds are 2.00% to 2.50% with principal and interest payments beginning on September 1, 2012 with a final maturity of September 1, 2030.

NOTE 15: RELATED PARTY TRANSACTIONS

During the fiscal year ended June 30, 2012, the District employed an immediate family member of one of the District's board members as a substitute teacher.



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

Board of Education Unified School District No. 206 Whitewater, Kansas 67154

We have audited the accompanying financial statement of Unified School District No. 206, Whitewater, Kansas, as of and for the year ended June 30, 2012, and have issued our report thereon dated November 9, 2012. The report on Unified School District No. 206's financial statement was adverse in accordance with accounting principles generally accepted in the United States of America because the District prepares its financial statement on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas. 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

Management of Unified School District No. 206 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Unified School District No. 206's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 206's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 206's 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 certain deficiencies in internal control over financial reporting, as described below, that we consider to be significant deficiencies 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.

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<u>Condition:</u> Financial personnel in the District have the skill and knowledge to process all the basic financial transactions and the ability to issue the internal financial statements needed to provide appropriate budget and operating information for management use and the District governing body. However based on auditing standard SAS 112, it is our professional judgment that the external financial statements and notes could not be prepared by the District staff using the prescribed *Kansas Municipal Audit Guide* (KMAG) format for Kansas statutory basis financial statements.

<u>Criteria:</u> The District prepares its financial statements in accordance with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, in accordance with the reporting and formatting requirements displayed in the *Kansas Municipal Audit Guide* (KMAG). The excerpt below has been taken directly from the auditing standards we are required to follow as your auditor:

Statement on Auditing Standards (SAS) No. 112, Communicating Internal Control Related Matters Identified in an Audit, indicates that where employees or management lack the qualifications and training to fulfill their assigned functions (e.g. the treasurer or county clerk is unable to apply GAAP or other comprehensive basis of accounting in recording the entity's financial transactions, preparing its external financial statements or note disclosures required in the applicable presentation, unable to apply all the facets of the Kansas Municipal Audit Guide and the requirements associated with this SAS in order to provide financial statements to the external users that are not materially misstated); Since the auditor cannot be considered a part of the internal control mechanism over the issuance of the external financial statements of the entity, this creates a significant risk that needs to be addressed internally. If this internal control risk does not have an appropriate mitigating control in place, this control deficiency will be considered either a significant deficiency or a material weakness. This SAS is applicable to all entities, regardless of their size or structure.

<u>Cause:</u> The appropriate personnel in the District should have an understanding of how the financial statements are assembled and assist the firm with any possible missing or incomplete information. It would be advantageous to the District to obtain the appropriate training and expertise to better understand the preparation and issuance of their external financial statements. However, for the size of your entity, it may be cost prohibitive to secure either the necessary training and expertise or the additional staff to gain the knowledge and expertise necessary to assemble the District's external financial statements.

Effect: Our firm has been engaged to prepare the financial statements and notes for the District; however, our firm cannot be considered part of the internal control structure of the District in regard to the preparation of the financial statements. Since, the internal staff responsible for the internal controls over the external financial reporting process does not possess the expertise to apply mandated accounting practices following the KMAG format for Kansas statutory basis financial statements, we have considered this to be a significant deficiency under the standards established by the American Institute of Certified Public Accountants.

Recommendation: The external financial statements are a requirement of K.S.A. 75-1122, which mandates an all-funds audit under the *Kansas Municipal Audit Guide*. A designated individual should have an understanding of how the financial statements are assembled and assist the audit firm with any possible missing or incomplete information. It would be beneficial to the District to obtain the appropriate training and expertise in this area. However, for the size of your entity, it may be cost prohibitive to acquire these proficiencies necessary to assemble the District's external financial statements.

<u>District Response:</u> District management feels that it would be cost prohibitive to secure the training and expertise to prepare the external financial statements. They have the skills and ability to prepare internal financial statements to meet the needs of the Board and management, but will study the audited financial statements to increase their understanding of KMAG financial statements and notes.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 206's financial statement is 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*.

Unified School District No. 206's response to the findings identified in our audit is described above. We did not audit Unified School District No. 206's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Unified School District No. 206 Board of Education and management, others within the organization, the Kansas Division of Accounts and Reports and is not intended to be and should not be used by anyone other than these specified parties.

El Dorado, Kansas

Bird & Company, Chartered

November 9, 2012

Supplementary Information

For the Year Ended June 30, 2012

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

FOR THE YEAR ENDED JUNE 30, 2012

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
Governmental Type Funds:						
General Funds:						
General	4,368,014	(324,170)	79,349	4,123,193	4,123,193	-
Supplemental general	1,350,000	-	104	1,350,104	1,350,104	-
Special Revenue Funds:						
At Risk (4 Year Old)	43,100	-	-	43,100	37,279	5,821
At Risk (K-12)	317,911	-	-	317,911	218,577	99,334
Bilingual education	28,000	-	-	28,000	3,821	24,179
Capital outlay	430,000	-	-	430,000	197,670	232,330
Driver training	33,000	-	-	33,000	6,032	26,968
Food service	287,470	-	-	287,470	285,234	2,236
Professional developmen	46,000	-	-	46,000	12,040	33,960
Summer school	957	-	-	957	957	-
Special education	806,257	-	-	806,257	780,021	26,236
Vocational education	288,355	-	-	288,355	133,608	154,747
KPERS Special Retirement	381,797	-	-	381,797	370,388	11,409
Debt Service Funds:						
Bond and interest	443,694	-	-	443,694	443,694	-

GENERAL FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

			2012	
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts:	\$ 727,902	\$ 748.463	\$ 712.385	\$ 36.078
Ad valorem tax	\$ 727,902 15,013	\$ 748,463 13,054	\$ 712,385 18,873	\$ 36,078 (5,819)
Delinquent tax Mineral tax	5,050	10,896	10,073	10,896
State aid	2,683,418	2,676,815	2,789,172	(112,357)
State aid - Special education	568,826	593,217	631,521	(38,304)
State aid - Special education State aid - Mentor teacher	368,826	393,217	031,321	(38,304)
Federal funds - ARRA	,	-	-	-
	71,887	1.050	-	1.050
Federal funds - ED Jobs	125,874	1,850	216.062	1,850
Transfer from authorized funds	102.707	70.240	216,062	(216,062)
Other local revenue	103,707	79,349		79,349
Total Cash Receipts	4,305,277	4,123,644	\$ 4,368,013	\$ (244,369)
Expenditures:				
Instruction	2,268,969	2,486,744	2,533,920	47,176
Instruction - ARRA	72,708	- -	<u>-</u>	-
Instruction - ED Jobs	125,874	1,850	-	(1,850)
Student support services	25,197	22,547	25,950	3,403
Instructional support staff	16,387	14,777	13,900	(877)
School administration	156	245	200	(45)
Operations & maintenance	221,623	245,594	229,900	(15,694)
Student transportation serv	105,491	109,386	108,600	(786)
Vehicle operating services	72,834	148,532	192,000	43,468
Vehicle services & maintenance services	71,020	83,422	73,450	(9,972)
Other supplemental service	-	541	· <u>-</u>	(541)
Transfer to:				` ,
Bilingual education	26,284	3,821	28,000	24,179
Capital outlay	333,848	207,831	276,784	68,953
Special education	584,624	593,217	635,000	41,783
Vocational education	7,874	21,295	28,836	7,541
At Risk (4 year old)	15,749	27,959	31,450	3,491
At Risk (K-12)	281,102	155,432	190,024	34,592
Adjustment to Comply with Legal Max	-	-	(324,170)	(324,170)
Legal General Fund Budget	4,229,740	4,123,193	4,043,844	(79,349)

GENERAL FUND (Continued) SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

			2012	
	2011 Actual	Actual	Budget	Variance- Over (Under)
Adjustment for Qualifying Budget Credits			79,349	79,349
Total Expenditures	4,229,740	4,123,193	\$ 4,123,193	\$ -
Cash Receipts Over (Under) Expenditures	75,537	451		
Unencumbered Cash, Beginning as Previously Stated Prior Period Adjustment Unencumbered Cash, Beginning as Restated	(323,117)	(247,580) 247,580		
Unencumbered Cash, Ending	\$ (247,580)	\$ 451		

SUPPLEMENTAL GENERAL FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

FOR THE YEAR ENDED JUNE 30, 2012 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

			2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)	
Cash Receipts:	.	A 044 505	A 007.711	4 2 5 1 1 1	
Ad valorem tax	\$ 801,441	\$ 941,795	\$ 905,711	\$ 36,084	
Delinquent tax	19,415	17,029	20,818	(3,789)	
Vehicle tax	84,506	79,481	82,768	(3,287)	
Recreational vehicle tax	1,539	200.604	1,565	(1,565)	
State aid	475,443	308,604	297,493	11,111	
Other local revenue	3,217	104		104	
Total Cash Receipts	1,385,561	1,347,013	\$ 1,308,355	\$ 38,658	
Expenditures:					
Instruction	54,622	69,718	56,360	(13,358)	
Student support services	1,615	957	1,800	843	
Instructional support staff	36,973	45,543	38,500	(7,043)	
General administration	194,528	214,774	198,700	(16,074)	
School administration	321,496	330,027	331,575	1,548	
Other supplemental services	34,719	36,888	36,525	(363)	
Operations & maintenance	277,405	280,807	279,900	(907)	
Transfer to:					
Food service	3,700	15,000	4,000	(11,000)	
Professional development	25,000	13,883	25,000	11,117	
Special education	190,300	175,000	200,000	25,000	
Vocational education	90,773	110,000	150,000	40,000	
At-Risk (K-12)	97,086	57,507	27,640	(29,867)	
Legal General Fund Budget	1,328,217	1,350,104	1,350,000	(104)	
Adjustment for Qualifying Budget Credits			104	104	
Total Expenditures	1,328,217	1,350,104	\$ 1,350,104	\$ -	

(3,091)

57,344

Cash Receipts Over (Under) Expenditures

SUPPLEMENTAL GENERAL FUND (Continued) SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

			2012	
	2011 Actual	Actual	Budget	Variance- Over (Under)
Unencumbered Cash, Beginning				
as Previously Stated	(3,881)	53,463		
Prior Period Adjustment	-	25,295		
Unencumbered Cash, Beginning as Restated	-	78,758		
Unencumbered Cash, Ending	\$ 53,463	\$ 75,667		

AT RISK FUND (4 Year Old) SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

						2012		
		2011 Actual		Actual Budget			Variance- Over (Under)	
Cash Receipts:	_		_					
Transfer from General Other local revenue	\$	15,749 9,425	\$	27,959 7,750	\$	31,450 9,500	\$	(3,491) (1,750)
Total Cash Receipts		25,174		35,709	\$	40,950	\$	(5,241)
Expenditures:								
Instruction		18,451		37,279		33,100		(4,179)
Transfer to General				-		10,000		10,000
Total Expenditures		18,451		37,279	\$	43,100	\$	5,821
Cash Receipts Over (Under) Expenditures		6,723		(1,570)				
Unencumbered Cash, Beginning		10,180		16,903				
Unencumbered Cash, Ending	\$	16,903	\$	15,333				

AT RISK FUND (K-12) SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

				2012		
		2011 Actual	 Actual	Budget	Variance- Over (Under)	
Cash Receipts: Transfer from General Transfer from Supplemental general Other local revenue	\$	281,102 97,086	\$ 155,432 57,507	\$ 190,024 27,640 957	\$	(34,592) 29,867 (957)
Total Cash Receipts		378,188	 212,939	\$ 218,621	\$	(5,682)
Expenditures: Instruction Transfer to General		278,602	218,577	268,411 49,500		49,834 49,500
Total Expenditures		278,602	 218,577	\$ 317,911	\$	99,334
Cash Receipts Over (Under) Expenditures		99,586	(5,638)			
Unencumbered Cash, Beginning		3	99,589			
Unencumbered Cash, Ending	\$	99,589	\$ 93,951			

BILINGUAL EDUCATION FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

			2012	
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts: Transfer from General	\$ 26,284	\$ 3,821	\$ 28,000	\$ (24,179)
Total Cash Receipts	26,284	3,821	\$ 28,000	\$ (24,179)
Expenditures:				
Instruction Instructional support staff	26,245 39	3,694 127	28,000	24,306 (127)
Total Expenditures	26,284	3,821	\$ 28,000	\$ 24,179
Cash Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending	\$ -	\$ -		

CAPITAL OUTLAY FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

		2012							
	2011 Actual	Actual	Budget	Variance- Over (Under)					
Cash Receipts:									
Interest	\$ 5,866	\$ 5,157	\$ -	\$ 5,157					
Delinquent tax	14	1	-	1					
State aid	4,954		-	-					
Other local revenue	505	7,963	-	7,963					
Transfer from General	333,848	207,831	276,784	(68,953)					
Total Cash Receipts	345,187	220,952	\$ 276,784	\$ (55,832)					
Expenditures:									
Instruction	24,543	-	25,000	25,000					
Operations & maintenance	6,334	173,360	20,000	(153,360)					
Transportation	-	-	150,000	150,000					
Architectural & engineering services	19,748	9,931	-	(9,931)					
New building acquisition & construction	-	-	235,000	235,000					
Building improvements	276,415	14,379		(14,379)					
Total Expenditures	327,040	197,670	\$ 430,000	\$ 232,330					
Cash Receipts Over (Under) Expenditures	18,147	23,282							
Unencumbered Cash, Beginning									
as Previously Stated	489,332	507,479							
Prior Period Adjustment		(4,954)							
Unencumbered Cash, Beginning as Restated		502,525							
Unencumbered Cash, Ending	\$ 507,479	\$ 525,807							

DRIVER TRAINING FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

		2011 Actual		Actual		Budget		ariance- Over Under)
Cash Receipts:	Φ.		Φ.	0.40	Φ.	1.070	Φ.	(0.1.0)
State aid Other local revenue	\$	4,237	\$	940	\$	1,850 7,000	\$	(910) (7,000)
Total Cash Receipts		4,237		940	\$	8,850	\$	(7,910)
Expenditures:								
Instruction		-		6,032		15,500		9,468
Vehicle operations, maintenance svcs		-		-		2,500		2,500
Transfer to General						15,000	-	15,000
Total Expenditures		<u>-</u>		6,032	\$	33,000	\$	26,968
Cash Receipts Over (Under) Expenditures		4,237		(5,092)				
Unencumbered Cash, Beginning as Previously Stated		21,018		25,255				
Prior Period Adjustment Unencumbered Cash, Beginning				4,954				
as Restated				30,209				
Unencumbered Cash, Ending	\$	25,255	\$	25,117				

${\bf FOOD~SERVICE~FUND}\\ {\bf SCHEDULE~OF~CASH~RECEIPTS~AND~EXPENDITURES~ACTUAL~AND~BUDGET}$

				2012			
	2011 Actual		Actual	Budget	Variance- Over (Under)		
Cash Receipts:			 	 	-	<u> </u>	
Student sales - lunch	\$	132,297	\$ 135,060	\$ 105,708	\$	29,352	
Student sales - breakfast		-	-	5,271		(5,271)	
Adult sales		12,265	10,759	14,638		(3,879)	
Miscellaneous		1,766	605	-		605	
State aid		2,463	3,580	2,462		1,118	
Federal funds		116,885	121,453	117,014		4,439	
Transfer from Supplemental general		3,700	 15,000	 4,000		11,000	
Total Cash Receipts		269,376	 286,457	\$ 249,093	\$	37,364	
Expenditures:							
Food service operation		269,998	 285,234	 287,470		2,236	
Total Expenditures		269,998	 285,234	\$ 287,470	\$	2,236	
Cash Receipts Over (Under) Expenditures		(622)	1,223				
Unencumbered Cash, Beginning		82,597	 81,975				
Unencumbered Cash, Ending	\$	81,975	\$ 83,198				

PROFESSIONAL DEVELOPMENT FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

	2011 Actual		Actual		Budget		Variance- Over (Under)	
Cash Receipts:								
Other local revenue	\$	125	\$	167	\$	-	\$	167
Transfer from Supplemental general	-	25,000		13,883		25,000		(11,117)
Total Cash Receipts		25,125		14,050	\$	25,000	\$	(10,950)
Expenditures:								
Instructional support staff		10,200		12,040		16,000		3,960
Transfer to General						30,000		30,000
Total Expenditures		10,200		12,040	\$	46,000	\$	33,960
Total Experiences		10,200	-	12,040	Ψ	40,000	Ψ	33,900
Cash Receipts Over (Under) Expenditures		14,925		2,010				
Unencumbered Cash, Beginning		17,288		32,213				
Unencumbered Cash, Ending	\$	32,213	\$	34,223				

SUMMER SCHOOL FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

			2012							
	2011 Actual		Actual		Budget		O	ance- ver ider)		
Cash Receipts:	\$		\$		\$		\$			
Total Cash Receipts					\$		\$			
Expenditures: Instruction		127		957		957				
Total Expenditures		127		957	\$	957	\$			
Cash Receipts Over (Under) Expenditures		(127)		(957)						
Unencumbered Cash, Beginning		1,084		957						
Unencumbered Cash, Ending	\$	957	\$							

SPECIAL EDUCATION FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

	2011 Actual	Actual		 Budget	ariance- Over Under)
Cash Receipts:					
Other local revenue	\$ 27,042	\$	16,516	\$ -	\$ 16,516
Transfer from Supplemental general	190,300		175,000	200,000	(25,000)
Transfer from General	 584,624		593,217	 635,000	 (41,783)
Total Cash Receipts	 801,966		784,733	\$ 835,000	\$ (50,267)
Expenditures:					
Instruction	670,140		707,475	698,357	(9,118)
Vehicle operating services	31,525		51,842	61,100	9,258
Vehicle services & maintenance services	 40,769		20,704	 46,800	 26,096
Total Expenditures	 742,434		780,021	\$ 806,257	\$ 26,236
Cash Receipts Over (Under) Expenditures	59,532		4,712		
Unencumbered Cash, Beginning	 475,288		534,820		
Unencumbered Cash, Ending	\$ 534,820	\$	539,532		

VOCATIONAL EDUCATION FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

			2012			
	2011 Actual	Actual	Budget	Variance- Over (Under)		
Cash Receipts: Transfer from General Transfer from Supplemental general Other local revenue	\$ 7,874 90,773 1,475	\$ 21,295 110,000	\$ 28,836 150,000	\$ (7,541) (40,000)		
Total Cash Receipts	100,122	131,295	\$ 178,836	\$ (47,541)		
Expenditures: Instruction Instructional support staff Transfer to General Total Expenditures	52,484 325 - 52,809	133,233 375 - 133,608	176,355 112,000 \$ 288,355	43,122 (375) 112,000 \$ 154,747		
Cash Receipts Over (Under) Expenditures	47,313	(2,313)				
Unencumbered Cash, Beginning	65,000	112,313				
Unencumbered Cash, Ending	\$ 112,313	\$ 110,000				

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

			2012	
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts:				
State aid	\$ 209,273	\$ 370,388	\$ 381,797	\$ (11,409)
Total Cash Receipts	209,273	370,388	\$ 381,797	\$ (11,409)
Expenditures:				
Instruction	141,155	250,086	257,522	7,436
Student support services	15,110	24,149	27,565	3,416
General administration	9,585	13,815	17,486	3,671
School administration	11,970	29,788	21,839	(7,949)
Other supplemental services	11,175	6,259	3,817	(2,442)
Operations & maintenance	9,166	20,121	20,388	267
Student transportation services	2,302	13,422	17,106	3,684
Food service	8,810	12,748	16,074	3,326
Total Expenditures	209,273	370,388	\$ 381,797	\$ 11,409
Cash Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending	\$ -	\$ -		

BOND AND INTEREST FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

		2012					
	2011 Actual	Actual	Budget	Variance - Over (Under)			
Cash Receipts:	4 5 0 525	4 21.01.5	4 21.050	Φ (12)			
State aid Ad valorem tax	\$ 78,537	\$ 31,016	\$ 31,059	\$ (43)			
Delinquent tax	377,231 8,647	375,857 7,180	360,869 9,807	14,988 (2,627)			
Motor vehicle tax	36,770	36,044	38,104	(2,060)			
Recreational vehicle tax	670		720	(720)			
Total Cash Receipts	501,855	450,097	\$ 440,559	\$ 9,538			
Expenditures:							
Interest	291,319	283,694	283,694	-			
Principal	145,000	160,000	160,000				
Total Expenditures	436,319	443,694	\$ 443,694	\$ -			
Cash Receipts Over (Under) Expenditures	65,536	6,403					
Unencumbered Cash, Beginning	334,306	399,842					
Unencumbered Cash, Ending	\$ 399,842	\$ 406,245					

CONTINGENCY RESERVE FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

Cosh Paggints		2011 Actual	2012 Actual		
Cash Receipts:	\$		\$		
Total Cash Receipts					
Expenditures:		_		_	
Total Expenditures		-		<u>-</u>	
Cash Receipts Over (Under) Expenditures		-		-	
Unencumbered Cash, Beginning		418,000		418,000	
Unencumbered Cash, Ending	\$	418,000	\$	418,000	

GIFTS AND GRANTS FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

	2011 Actual			2012 Actual		
Cash Receipts:	Tietaar		1			
Foulston grant	\$	3,000	\$	29,000		
Donations, gifts & grants		14,035		60,044		
Carl Perkins grant - federal funds		5,600		2,935		
Total Cash Receipts		22,635		91,979		
Expenditures:						
Instruction		29,754		68,554		
Vehicle services & maintenance svcs				25,738		
Total Expenditures		29,754	-	94,292		
Cash Receipts Over (Under) Expenditures		(7,119)		(2,313)		
Unencumbered Cash, Beginning		19,612		12,493		
Unencumbered Cash, Ending	\$	12,493	\$	10,180		

TEXTBOOK & STUDENT MATERIAL REVOLVING FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

	2011 Actual	2012 Actual		
Cash Receipts: Material and rental fees	\$ 23,275	\$	22,742	
Reimbursements	-		111	
Total Cash Receipts	23,275		22,853	
Expenditures: Instruction	11,719		10,388	
Total Expenditures	11,719		10,388	
Cash Receipts Over (Under) Expenditures	11,556		12,465	
Unencumbered Cash, Beginning	72,860		84,416	
Prior Year Cancelled Encumbrance			638	
Unencumbered Cash, Ending	\$ 84,416	\$	97,519	

TITLE I, PART A - IMPROVING THE ACADEMIC ACHIEVEMENT OF DISADVANTAGED FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

	2011 Actual	2012 Actual	
Cash Receipts:			
Federal funds	\$ 73,062	\$ 63,325	
Federal funds - ARRA	10,411		
Total Cash Receipts	83,473	63,325	
Expenditures:			
Instruction	72,887	52,914	
Instruction - ARRA	10,360	10,411	
Professional development	175	-	
Professional development - ARRA	51		
Total Expenditures	83,473	63,325	
Cash Receipts Over (Under) Expenditures	-	-	
Unencumbered Cash, Beginning	<u> </u>		
Unencumbered Cash, Ending	\$ -	\$ -	

TITLE II, PART A - TEACHER QUALITY FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

	2011 Actual	 2012 Actual
Cash Receipts:		
Federal funds	\$ 19,438	\$ 16,273
Total Cash Receipts	 19,438	 16,273
Expenditures:		
Instruction	7,577	13,816
Instructional support staff	 11,861	 2,457
Total Expenditures	 19,438	 16,273
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	_	
Unencumbered Cash, Ending	\$ 	\$

TITLE II, PART D - EDUCATION TECHNOLOGY FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

	2011 Actual		
Cash Receipts: Federal funds	\$ 190	\$	
Total Cash Receipts	 190		<u>-</u>
Expenditures: Instructional support staff	 190		
Total Expenditures	 190		
Cash Receipts Over (Under) Expenditures	-		-
Unencumbered Cash, Beginning	 		
Unencumbered Cash, Ending	\$ 	\$	

TITLE III, PART A - ENGLISH LANGUAGE ACQUISITION FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

	2011 Actual	2012 Actual		
Cash Receipts: Federal funds	\$ 1,021	\$ -		
Total Cash Receipts	1,021			
Expenditures: Instruction Total Expenditures	1,021 1,021	<u>-</u>		
Cash Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending	\$ -	\$ -		

NONEXPENDABLE TRUST FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

	011 ctual	2012 Actual		
Cash Receipts: Interest	\$ 3	\$	1	
Total Cash Receipts	3		1	
Expenditures:			<u>-</u>	
Total Expenditures	 			
Cash Receipts Over (Under) Expenditures	3		1	
Unencumbered Cash, Beginning	5,026		5,029	
Unencumbered Cash, Ending	\$ 5,029	\$	5,030	

TITLE VI, PART B SUBPART 1, RURAL EDUCATION ACHIEVEMENT PROGRAM (REAP) FUND SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -ACTUAL

	2011 Actual			2012 Actual		
Cash Receipts: Federal funds	\$	30,577		\$	51,421	
reactal funds	Φ	30,377	•	Ф	31,421	
Total Cash Receipts		30,577			51,421	
Expenditures:						
Instruction		29,577			51,421	
Instructional support staff		1,000				
Total Expenditures		30,577	•		51,421	
Cash Receipts Over (Under) Expenditures		-			-	
Unencumbered Cash, Beginning						
Unencumbered Cash, Ending	\$	_	;	\$		

AGENCY FUNDS SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

Fund	Beginning Cash Cash Balance Receipts				Cash Disbursements		nding Balance	
STUDENT ORGANIZATION FUNDS	Casii	Daranec		ccipts	Disc	ursements	Casi	Datance
REMINGTON HIGH SCHOOL								
Athletics Scoreboard	\$	524	\$		\$	524	\$	
Band	Ф	1,193	Ф	1,806	Ф	1,596	Φ	1,403
		802		435		737		500
Boys Athletics								
Cheerleaders		727		6,471		6,249		949
Class of 2010		16		-		-		16
Class of 2011		1,545		-		1,545		-
Class of 2012		2,030		609		1,208		1,431
Class of 2013		1,787		5,895		5,898		1,784
Class of 2014		1,110		1,703		1,088		1,725
Community Service Day		241		250		-		491
Concessions		2,134		-		106		2,028
Cross Country		3		13		-		16
FCCLA		664		294		452		506
National Forensic League NFL		964		586		942		608
Gifted		247		463		418		292
Girls Athletics		1,719		53		150		1,622
Golf		-		178		_		178
International Club		552		_		_		552
Piano fund - Vocal/instrument		150		_		_		150
Scholars' Bowl		493		450		260		683
Science Club		61		463		262		262
Special Event		17		-		-0-		17
STUCO		749		2,733		3,076		406
Target		331		112		28		415
Thespians		3,533		1,437		1,510		3,460
Vocal		1,147		17,843		15,808		3,182
Vocational Photography		984		480		144		1,320
Volunteer Club		46		400		177		46
YAACL		104		=		_		104
Yearbook		1,494		3,780		3,086		2,188
1 GALUUUK								
		25,367		46,054		45,087		26,334

AGENCY FUNDS (CONTINUED) SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

	Beginning			Cash		Cash	Ending		
Fund	Cash	Balance	R	eceipts	Dist	oursements	Cash Balance		
STUDENT ORGANIZATION FUNDS									
REMINGTON MIDDLE SCHOOL									
Library	\$	230	\$	1,499	\$	1,499	\$	230	
Reading Program		243		356		414		185	
RMS Band		-		831		156		675	
RMS Cooks		-		285		26		259	
RMS 5A McAdams		-		585		455		130	
Vending Machine		52		2,290		2,000		342	
Student Council		2,311		8,146		7,113		3,344	
		2,836		13,992		11,663		5,165	
STUDENT ORGANIZATION FUNDS REMINGTON ELEM POTWIN									
Student Activities		955		5,813		3,955		2,813	
		955		5,813		3,955		2,813	
Total	\$	29,158	\$	65,859	\$	60,705	\$	34,312	

DISTRICT ACTIVITY FUNDS SCHEDULE OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

FOR THE YEAR ENDED JUNE 30, 2012

Funds	Unencumbered (Cano	Prior Year Canceled Encumbrances		Cash Receipts		Expenditures		Ending Unencumbered Cash Balance		Add Outstanding Encumbrances and Accounts Payable		Ending Cash Balance	
Gate Receipts:															
Athletics -															
Remington High School	\$	9,020	\$	-	\$	26,057	\$	27,406	\$	7,671	\$	-	\$	7,671	
Remington Middle School		2,867		-		11,146		10,136		3,877		-		3,877	
Total District Activity Funds		11,887		-		37,203		37,542		11,548		-		11,548	