

**UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS**

Statutory Basis Financial Statements  
And Independent Auditors' Report  
With Supplemental Information  
And Federal Compliance Section  
For the Fiscal Year Ended June 30, 2012

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
Statutory Basis Financial Statements  
For the Fiscal Year Ended June 30, 2012

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**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
Statutory Basis Financial Statements  
For the Fiscal Year Ended June 30, 2012

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# Diehl Banwart Bolton

*Certified Public Accountants P.A.*

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## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Unified School District #247  
Cherokee, Kansas 66724

We have audited the Summary Statement of Cash Receipts, Expenditures, and Unencumbered Cash Balances of the Unified School District #247, Cherokee, Kansas, as of June 30, 2012, and for the fiscal year then ended, which comprises the basic financial statement of the District as listed in the Table of Contents. This financial statement is the responsibility of Unified School District #247 management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

As described in Note 1, the District's policy is to prepare its financial statements on a prescribed basis of accounting that demonstrates 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 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 District's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Unified School District #247, Cherokee, Kansas, as of June 30, 2012, or the results of its operations, for the fiscal year then ended.

In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the cash and unencumbered cash balances of the Unified School District #247, Cherokee, 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 reports dated November 5, 2012, on our consideration of the District's internal control structure and on its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with Government Auditing Standards, and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statement of the District. The accompanying supplemental schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statement. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and is also not a required part of the financial statement of the City. The supplemental schedules and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement taken as a whole.



DIEHL, BANWART, BOLTON, CPAs PA

November 5, 2012  
Fort Scott, Kansas

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
 Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
 For the Fiscal Year Ended June 30, 2012

Fiscal Year Ended June 30, 2012							
Funds	Beginning Unencumbered Cash Balances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Cash Balances	
						2012	2011
GOVERNMENTAL TYPE FUNDS							
General Fund	-	\$5,395,126.83	\$5,395,126.45	\$0.38	\$479,634.30	\$479,634.68	\$478,914.76
Special Revenue Funds							
Supplemental General	39,233.20	1,889,578.50	1,796,330.00	132,481.70	-	132,481.70	39,233.20
At Risk Four Year Old	-	30,568.00	30,568.00	-	-	-	-
At Risk K-12	-	630,542.25	630,542.25	-	48,056.66	48,056.66	117,112.91
Capital Outlay	122,429.34	316,350.39	226,294.08	212,485.65	97,196.50	309,682.15	132,930.67
Driver Education	4,292.00	8,949.28	3,360.49	9,880.79	233.25	10,114.04	4,292.00
Food Service	28,456.97	431,048.20	399,505.17	60,000.00	20,036.44	80,036.44	53,320.09
Professional Development	-	29,045.00	9,045.00	20,000.00	2,700.00	22,700.00	-
Special Education	41,661.27	1,204,580.52	964,382.84	281,858.95	13,804.61	295,663.56	56,960.09
Vocational Education	-	129,713.67	128,744.31	969.36	8,099.38	9,068.74	9,661.01
KPERS Retirement	-	472,468.00	472,468.00	-	-	-	-
Contingency Reserve	125,298.00	-	-	125,298.00	-	125,298.00	125,298.00
Textbook Rental	46.73	42,652.17	10,039.31	32,659.59	10,039.31	42,698.90	9,638.33
Title I	-	172,300.00	172,300.00	-	24,379.71	24,379.71	27,174.72
Title II Teacher Quality	-	37,481.00	37,481.00	-	6,084.86	6,084.86	7,433.82
Student Laptops	6,315.18	12,884.50	17,859.20	1,340.48	14,146.80	15,487.28	6,370.18
Grant	(3,952.85)	52.00	-	(3,900.85)	-	(3,900.85)	6,956.86
School Improvement	22,463.03	478,341.20	443,621.80	57,182.43	168,441.49	225,623.92	62,137.86
Gate Receipts	21,934.76	65,103.29	61,376.80	25,661.25	-	25,661.25	21,934.76
School Projects	6,305.95	4,403.03	2,547.43	8,161.55	-	8,161.55	6,305.95
Total Reporting Entity	\$414,483.58	\$11,351,187.83	\$10,801,592.13	\$964,079.28	\$892,853.31	\$1,856,932.59	\$1,165,675.21
Composition of Cash							
General Checking NOW Account.....							
Activity Checking Accounts.....							
Certificates of Deposit.....							
Total Cash							
Agency Funds .....							
Total Reporting Entity							

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

**UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS**

Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2012

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statement of Unified School District #247, Cherokee, Kansas, has been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The State of Kansas, through the Division of Accounts and Reports establishes the requirements for the statutory basis of accounting. The more significant of the District's accounting policies follow. Note 1 describes how the District's accounting policies differ from accounting principles generally accepted in the United States of America.

**Reporting Entity**

Unified School District #247, Cherokee, Kansas, is a municipal corporation governed by an elected seven-member board. The District has developed criteria to determine whether outside agencies, with activities which benefit the members of the District, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility or financial inter-dependency, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, scope of public service and special financing relationships. Based on the above criteria, the District has determined that no outside agency meets the criteria; therefore, no outside agency has been included as a component unit in these financial statements.

**Basis of Presentation - Fund Accounting**

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

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

**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 revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.

**FIDUCIARY FUNDS**

**Agency Funds** - 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 Expendable Trust Funds and Agency Funds.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

### Basis of Presentation - 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 Kansas. Cash receipts are recognized when the cash balance of a fund is increased and include cash received as well as state aid applicable to the current budget year even if received in the succeeding year. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or 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.

### Departures From Accounting Principles Generally Accepted in the United States of America

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments this year. The District decreased the General and Supplemental General Fund budgets to the legal maximum budget in accordance with Kansas statutes due to final enrollment lower than the amount budgeted.



1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (Continued)

Termination and Post Employment Benefits

No termination benefits are provided to District employees when employment with the District ends except for the accrued compensated absences as discussed in Note 1 and early retirement benefits.

The District has adopted a policy providing early retirement benefit options. In general, the policy allows certified employees with 15 years of continuous service to the District the option to retire after attaining the age of 60. Benefits which are provided are as follows: 1) paid sick leave up to certain limits as provided for in the current negotiated agreement between the district and its certified employees, 2) twenty percent (20%) of the last regular salary will be paid during each of the first two years of eligibility of opting to retire, otherwise foregone, 3) medical insurance coverage will be provided until the employee attains age 65, up to \$325.00 per month, 4) if the employee is deceased, the designated beneficiary will receive cash in lieu of medical insurance coverage until the deceased employee would have attained the age of 65. Classified employees are also eligible to receive the medical insurance benefits of early retirement. The District funds these benefits on a pay as you go basis. The liability at June 30, 2012 totaled \$77,305. Scheduled payments are shown in Note 10.

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 District under this program.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10<sup>th</sup> of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

Reimbursements and Other Qualifying Budget Credits

Reimbursements are included in Other Receipts in the financial statement, and include payments from one fund to reimburse the fund as well as payments from outside sources to reimburse the District for expenditures incurred. Reimbursements include such receipts as certain non-budgeted grants, gifts and donations. Reimbursements allow the District to extend the certified budget; that is, to spend more than the legal budget to the extent that the reimbursements exceed the amounts budgeted.

## **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Statement 1 has been prepared in order to show compliance with the cash basis laws of Kansas. As shown in Statement 1, the District was apparently in compliance with the cash basis laws of Kansas.

## **3. CASH, INVESTMENTS AND DEPOSITS WITH FINANCIAL INSTITUTIONS**

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 Government 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 Government'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 Government has no investment policy that would further limit its investment choices, but has limited the investments to time deposits at the local banks.

*Concentration of credit risk.* State statutes place no limit on the amount the Government 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 not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not have any "peak periods" designated.

At June 30, 2012 the District's carrying amount of deposits was \$1,888,073.77 and the bank balance was \$1,693,979.64. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$379,925.70 was covered by federal depository insurance, and the remaining \$1,314,053.94 was collateralized with securities totaling \$1,876,553.21 held by the pledging financial institutions' agents in the District's name.

## **4. PENSION PLAN**

### Plan Description

The School 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, Suite 100; Topeka, Kansas 66603) or by calling 1-888-275-5737.

4. **PENSION PLAN** – (Continued)

**Funding Policy**

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary for all employees hired before July 1, 2009, and 6% of covered salary for employees hired from July 1, 2009 to the present. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. State law sets a limitation on annual increases in the contribution rates. For the fiscal year ending June 30, 2012, the State of Kansas contributed 9.77% of covered payroll from July 1, 2011 to March 31, 2012, and 8.77% of covered payroll from April 1, 2012 to June 30, 2012. Kansas' contributions to KPERS for school municipality employees for the years ending June 30, 2012, 2011, and 2010, was \$298,635,383, \$253,834,044, and \$248,468,186, respectively, equal to the statutory required contributions for each year. The amounts attributable to the District for years ending June 30, 2012, 2011, and 2010 were \$472,468; \$289,640 and \$345,613.

5. **RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. The District manages these various risks of loss by purchasing insurance policies.

6. **CONTINGENCIES**

In the normal course of operations, the District participates in various federal or state grant programs from year to year. The 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.

7. **INTERFUND TRANSFERS**

Operating transfers are routinely made from the General and Supplemental General Funds to other funds as allowed by Kansas Statutes. Operating transfers were as follows:

FROM	TO	STATUTORY AUTHORITY	AMOUNT
General	At Risk 4 Year Old	K.S.A. 72-6428	\$ 30,568.00
General	At Risk K-12	K.S.A. 72-6428	630,542.25
General	Capital Outlay	K.S.A. 72-6428	157,459.54
General	Drivers Education	K.S.A. 72-6428	37.51
General	Food Service	K.S.A. 72-6428	62,664.86
General	Professional Education	K.S.A. 72-6428	22,700.00
General	Special Education	K.S.A. 72-6428	919,027.00
General	Vocational Education	K.S.A. 72-6428	129,713.67
General	Textbook Rental	K.S.A. 72-6428	30,000.00
Supplemental General	Drivers Education	K.S.A. 72-6433	487.77
Supplemental General	Food Service	K.S.A. 72-6433	32,869.31
Supplemental General	Special Education	K.S.A. 72-6433	285,553.52
Supplemental General	Professional Education	K.S.A. 72-6433	6,345.00

**8. PRIOR PERIOD ADJUSTMENT**

The beginning cash balances in the General and Supplemental General Funds were increased because of a change in the statutory basis of accounting. In prior years, State aid for a current fiscal year received in the subsequent fiscal year were omitted from current year receipts. The statutory basis of accounting now requires the District to show state aid as a receipt in the current year even though it may actually be received in the subsequent fiscal year. Accordingly, cash balances at June 30, 2011 have been restated as follows:

	<u>General Fund</u>	<u>Supplemental General Fund</u>
Unencumbered Cash, June 30, 2011 (Original)	\$ (410,409.00)	\$ (17,611.80)
State aid for FYE June 30, 2011 received in July, 2011	<u>410,409.00</u>	<u>56,845.00</u>
Unencumbered Cash, June 30, 2011 (Restated)	<u>\$ -</u>	<u>\$ 39,233.20</u>

**9. SUBSEQUENT EVENTS**

Events subsequent to June 30 have been evaluated through the date of the Independent Auditors' Report as shown on page 2. There are no subsequent events recognized in this financial statement or recorded in the notes to the financial statement.

**10. LONG-TERM OBLIGATIONS**

Changes in long term obligations and future maturities are as follows:

10. LONG TERM OBLIGATIONS (Continued)

Statement of Changes in Long Term Obligations

Issue	Amount of Issue	Interest Rates	Date of Issue	Date of Final Maturity	Balances	Additions/ New Debt	Reductions/ Principal Paid	Balances	Interest Paid
					Beginning of Year			End of Year	
<u>Lease Purchase Agreements</u>									
International Buses	\$ 335,890	4.76%	1/22/2007	1/22/2012	\$ 73,044	\$ -	\$ 73,044	\$ -	\$ 3,192
Building Improvements	1,197,359	5.17%	4/4/2007	12/4/2025	1,093,768	-	37,731	1,056,037	55,675
Total Lease Purchase Agreements					<u>1,166,812</u>	<u>-</u>	<u>110,775</u>	<u>1,056,037</u>	<u>58,867</u>
<u>Compensated Absences</u>									
Sick and Vacation	N/A	N/A	N/A	N/A	18,655	-	1,541	17,114	N/A
Early Retirement	N/A	N/A	N/A	N/A	131,968	19,825	74,488	77,305	N/A
					<u>\$ 1,317,435</u>	<u>\$ 19,825</u>	<u>\$ 186,804</u>	<u>\$ 1,150,456</u>	<u>\$ 58,867</u>

10. LONG TERM OBLIGATIONS (Continued)

Statement of Maturities of Long Term Obligations

Issue	2013	2014	2015	2016	2017	2018 to 2022	2023 to 2027	Totals
<u>Principal</u>								
<u>Lease Purchase Agreements</u>								
International Buses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building Improvements	41,827	46,208	50,890	55,892	61,233	396,075	403,912	1,056,037
Total Lease Purchase	41,827	46,208	50,890	55,892	61,233	396,075	403,912	1,056,037
<u>Interest</u>								
<u>Lease Purchase Agreements</u>								
International Buses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building Improvements	53,629	51,364	48,865	46,117	43,103	159,449	38,508	441,035
Total Lease Purchase	53,629	51,364	48,865	46,117	43,103	159,449	38,508	441,035
<u>Other Payments</u>								
<u>Compensated Absences</u>								
Sick and Vacation	17,114	-	-	-	-	-	-	17,114
Early Retirement	27,905	27,300	13,650	7,800	650	-	-	77,305
Total Comp Absences	45,019	27,300	13,650	7,800	650	-	-	94,419
Grant Totals	\$ 140,475	\$ 124,872	\$ 113,405	\$ 109,809	\$ 104,986	\$ 555,524	\$ 442,420	\$ 1,591,492

**UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS**

**SUPPLEMENTAL INFORMATION**  
For the Fiscal Year Ended June 30, 2012

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
 Summary of Expenditures - Actual and Budget (Budgeted Funds Only)  
 For the Fiscal Year Ended June 30, 2012

Funds	Certified Budget	Adjustment to Comply with Legal Maximum	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures		Variance - Favorable (Unfavorable)
					Charged to Current Year Budget	Budget	
<b>GOVERNMENTAL TYPE FUNDS</b>							
General Fund	\$5,461,344.00	(\$237,384.00)	\$171,166.45	\$5,395,126.45	\$5,395,126.45		-
Special Revenue Funds							
Supplemental General	1,867,214.00	(70,884.00)	-	1,796,330.00	1,796,330.00		-
At Risk Four Year Old	32,000.00	-	-	32,000.00	30,568.00		1,432.00
At Risk K-12	714,000.00	-	-	714,000.00	630,542.25		83,457.75
Capital Outlay	216,564.00	-	56,423.06	272,987.06	226,294.08		46,692.98
Driver Education	22,349.00	-	-	22,349.00	3,360.49		18,988.51
Food Service	560,196.00	-	-	560,196.00	399,505.17		160,690.83
Professional Development	9,045.00	-	-	9,045.00	9,045.00		-
Special Education	1,033,644.00	-	-	1,033,644.00	964,382.84		69,261.16
KPERS Retirement	524,061.00	-	-	524,061.00	472,468.00		51,593.00
Vocational Education	184,676.00	-	-	184,676.00	128,744.31		55,931.69
	<u>\$10,625,093.00</u>						



UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS  
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance - Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Local Sources			
Ad valorem tax	\$454,437.65	\$419,773.00	\$34,664.65
Delinquent tax	12,799.26	6,726.00	6,073.26
Other	170,716.45	-	170,716.45
Federal Sources			
Federal aid - Stabilization	-	-	-
Federal aid - Education Jobs	2,453.00	-	2,453.00
Data use grant	-	-	-
State Sources			
Mineral tax	569.47	-	569.47
General aid	4,075,674.00	4,314,440.00	(238,766.00)
Special education aid	678,027.00	714,212.00	(36,185.00)
Other State grants	450.00	-	450.00
Total Cash Receipts	5,395,126.83	\$5,455,151.00	(\$60,024.17)
Expenditures			
Instruction	1,315,968.48	\$1,466,301.00	\$150,332.52
Support Services			
Student Support	123,381.82	129,600.00	6,218.18
Instructional Support	172,222.90	176,741.00	4,518.10
General Administration	276,540.30	256,192.00	(20,348.30)
School Administration	492,880.30	482,602.00	(10,278.30)
Operations and Maintenance	682,638.81	828,903.00	146,264.19
Other Support Services	5,000.00	4,400.00	(600.00)
Transportation Services	343,781.01	363,232.00	19,450.99
Site Improvement	-	-	-

**UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS  
GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance - Favorable (Unfavorable)
	Actual	Budget	
Expenditures (Continued)			
Operating Transfers to Other Funds			
At Risk Four Year Old	\$30,568.00	\$32,000.00	\$1,432.00
At Risk K-12	630,542.25	714,000.00	83,457.75
Capital Outlay	157,459.54	96,000.00	(61,459.54)
Driver Education	37.51	5,000.00	4,962.49
Food Service	62,664.86	12,500.00	(50,164.86)
Professional Development	22,700.00	4,000.00	(18,700.00)
Special Education	919,027.00	714,212.00	(204,815.00)
Vocational Education	129,713.67	161,000.00	31,286.33
Contingency Reserve	-	9,661.00	9,661.00
Textbook Rental	30,000.00	5,000.00	(25,000.00)
Subtotal Expenditures	5,395,126.45	5,461,344.00	66,217.55
Adjustments to Budget			
Adjustment to Comply with Legal Maximum Budget	-	(237,384.00)	(237,384.00)
Adjustment for Reimbursements and Grants	-	171,166.45	171,166.45
Total Expenditures	5,395,126.45	\$5,395,126.45	-
Receipts Over (Under) Expenditures	0.38		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	\$0.38		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**SUPPLEMENTAL GENERAL FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance - Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Local Sources			
Ad valorem tax	\$764,283.24	\$733,643.00	\$30,640.24
Delinquent tax	24,191.58	11,091.00	13,100.58
Other	-	-	-
County Sources			
Motor vehicle tax	118,368.68	111,258.00	7,110.68
State Sources			
State aid	982,735.00	984,735.00	(2,000.00)
Total Cash Receipts	1,889,578.50	\$1,840,727.00	\$48,851.50
Expenditures			
Instruction	1,375,200.07	\$1,242,170.00	(\$133,030.07)
Support Services			
Student Support	253.00	-	(253.00)
Instructional Support	4,677.44	-	(4,677.44)
School Administration	-	29,104.00	29,104.00
Operations and Maintenance	14,707.92	91,584.00	76,876.08
Transportation Services	76,235.97	76,236.00	0.03
Operating Transfers to Other Funds			
Bilingual Education	-	4,000.00	4,000.00
Driver Education	487.77	8,770.00	8,282.23
Food Service	32,869.31	96,000.00	63,130.69
Professional Development	6,345.00	5,045.00	(1,300.00)
At Risk K-12	-	-	-
Vocational Education	-	23,676.00	23,676.00
Textbook Rental	-	5,000.00	5,000.00
Special Education	285,553.52	285,629.00	75.48
Subtotal Expenditures	1,796,330.00	1,867,214.00	70,884.00
Adjustment to Comply with Legal Maximum Budget	-	(70,884.00)	(70,884.00)
Total Expenditures	1,796,330.00	\$1,796,330.00	-
Receipts Over (Under) Expenditures	93,248.50		
Unencumbered Cash, Beginning	39,233.20		
Unencumbered Cash, Ending	\$132,481.70		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**AT RISK FOUR YEAR OLD FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance - Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Operating Transfer from General Fund	\$30,568.00	\$32,000.00	(\$1,432.00)
Total Cash Receipts	30,568.00	\$32,000.00	(\$1,432.00)
Expenditures			
Instruction	30,568.00	\$32,000.00	\$1,432.00
Total Expenditures	30,568.00	\$32,000.00	\$1,432.00
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	-		

UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS  
AT RISK K-12 FUND

Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance - Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Operating Transfers from Other Funds			
General	\$630,542.25	\$714,000.00	(\$83,457.75)
Supplemental General	-	-	-
Total Cash Receipts	630,542.25	\$714,000.00	(\$83,457.75)
Expenditures			
Instruction	594,400.11	678,329.00	\$83,928.89
Support Services			
Student Support	24,309.80	35,671.00	11,361.20
Transportation Services	11,832.34	-	(11,832.34)
Total Expenditures	630,542.25	\$714,000.00	\$83,457.75
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	-		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**CAPITAL OUTLAY FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance -
	Actual	Budget	Favorable (Unfavorable)
Cash Receipts			
Local Sources			
Ad valorem tax	\$96,158.92	\$93,735.00	\$2,423.92
Delinquent tax	138.13	-	138.13
Interest on idle funds	6,170.74	-	6,170.74
Other	56,423.06	-	56,423.06
County Sources			
Motor vehicle tax	-	-	-
Operating Transfers from Other Funds			
General	157,459.54	96,000.00	61,459.54
Total Cash Receipts	316,350.39	\$189,735.00	\$126,615.39
Expenditures			
Instruction	18,095.34	\$125,000.00	\$106,904.66
Support Services			
Transportation Services	76,309.00	-	(76,309.00)
Facility Acquisition and			
Construction Services	131,889.74	91,564.00	(40,325.74)
Subtotal Expenditures	226,294.08	216,564.00	(9,730.08)
Adjustment for			
Reimbursements	-	56,423.06	56,423.06
Total Expenditures	226,294.08	\$272,987.06	\$46,692.98
Receipts Over (Under) Expenditures	90,056.31		
Unencumbered Cash, Beginning	122,429.34		
Unencumbered Cash, Ending	\$212,485.65		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**DRIVER EDUCATION FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance -
	Actual	Budget	Favorable (Unfavorable)
Cash Receipts			
Local Sources			
Other	\$2,314.00	-	\$2,314.00
State Sources			
State aid	6,110.00	4,810.00	1,300.00
Operating Transfers from Other Funds			
General	37.51	5,000.00	(4,962.49)
Supplemental General	487.77	8,770.00	(8,282.23)
Total Cash Receipts	<u>8,949.28</u>	<u>\$18,580.00</u>	<u>(\$9,630.72)</u>
Expenditures			
Instruction	3,360.49	\$22,349.00	\$18,988.51
Support Services			
Operations and Maintenance	-	-	-
Total Expenditures	<u>3,360.49</u>	<u>\$22,349.00</u>	<u>\$18,988.51</u>
Receipts Over (Under) Expenditures	5,588.79		
Unencumbered Cash, Beginning	<u>4,292.00</u>		
Unencumbered Cash, Ending	<u>\$9,880.79</u>		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**FOOD SERVICE FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance -
	Actual	Budget	Favorable (Unfavorable)
Cash Receipts			
Local Sources			
Food sold	\$85,071.97	\$130,700.00	(\$45,628.03)
Other	2,224.95	-	2,224.95
State Sources			
Food service aid	3,523.96	4,183.00	(659.04)
Federal Sources			
Child nutrition aid	219,722.01	288,356.00	(68,633.99)
Nutrition grant	24,971.14	-	24,971.14
Operating Transfers from Other Funds			
General	62,664.86	12,500.00	50,164.86
Supplemental General	32,869.31	96,000.00	(63,130.69)
Total Cash Receipts	431,048.20	\$531,739.00	(\$100,690.80)
Expenditures			
Support Services			
Operations and Maintenance	4,991.85	\$29,944.00	\$24,952.15
Operation on Non-Instructional Services			
Food Service Operations	394,513.32	530,252.00	135,738.68
Total Expenditures	399,505.17	\$560,196.00	\$160,690.83
Receipts Over (Under) Expenditures	31,543.03		
Unencumbered Cash, Beginning	28,456.97		
Unencumbered Cash, Ending	\$60,000.00		



**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**PROFESSIONAL DEVELOPMENT FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance - Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Local Sources			
Other	-	-	-
State Sources			
State aid	-	-	-
Operating Transfers from Other Funds			
General	22,700.00	4,000.00	18,700.00
Supplemental General	6,345.00	5,045.00	1,300.00
Total Cash Receipts	29,045.00	\$9,045.00	\$20,000.00
Expenditures			
Support Services			
Instructional Support	9,045.00	\$9,045.00	-
Total Expenditures	9,045.00	\$9,045.00	-
Receipts Over (Under) Expenditures	20,000.00		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	\$20,000.00		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**SPECIAL EDUCATION FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance -
	Actual	Budget	Favorable (Unfavorable)
Cash Receipts			
Local Sources			
Other	-	-	-
Operating Transfers from Other Funds			
General	919,027.00	714,212.00	204,815.00
Supplemental General	285,553.52	285,629.00	(75.48)
Total Cash Receipts	<u>1,204,580.52</u>	<u>\$999,841.00</u>	<u>\$204,739.52</u>
Expenditures			
Instruction	893,805.65	\$945,909.00	\$52,103.35
Support Services			
Transportation	70,577.19	87,735.00	17,157.81
Total Expenditures	<u>964,382.84</u>	<u>\$1,033,644.00</u>	<u>\$69,261.16</u>
Receipts Over (Under) Expenditures	240,197.68		
Unencumbered Cash, Beginning	<u>41,661.27</u>		
Unencumbered Cash, Ending	<u>\$281,858.95</u>		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**VOCATIONAL EDUCATION FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance - Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Operating Transfers from Other Funds			
General	\$129,713.67	\$161,000.00	(\$31,286.33)
Supplemental General	-	23,676.00	(23,676.00)
Total Cash Receipts	129,713.67	\$184,676.00	(\$54,962.33)
Expenditures			
Instruction	128,744.31	\$184,676.00	\$55,931.69
Total Expenditures	128,744.31	\$184,676.00	\$55,931.69
Receipts Over (Under) Expenditures	969.36		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	\$969.36		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**KPERS RETIREMENT FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
For the Fiscal Year Ended June 30, 2012

	Current Year		Variance -
	Actual	Budget	Favorable (Unfavorable)
Cash Receipts			
State Sources			
State aid	\$472,468.00	\$524,061.00	(\$51,593.00)
Total Cash Receipts	472,468.00	\$524,061.00	(\$51,593.00)
Expenditures			
Instruction	314,627.28	\$341,426.00	\$26,798.72
Support Services			
Student Support	9,481.33	10,565.00	1,083.67
Instructional Support	16,324.87	15,665.00	(659.87)
General Administration	20,027.99	22,819.00	2,791.01
School Administration	46,378.32	60,243.00	13,864.68
Operations and Maintenance	33,425.67	34,000.00	574.33
Other Support Services	-	-	-
Transportation Services	16,131.96	19,009.00	2,877.04
Operation of Noninstructional Services-			
Food Service Operations	16,070.58	20,334.00	4,263.42
Total Expenditures	472,468.00	\$524,061.00	\$51,593.00
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	-		

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**CONTINGENCY RESERVE FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Fiscal Year Ended June 30, 2012

	Current Year Actual
Cash Receipts	
Operating Transfer from General Fund	-
Total Cash Receipts	-
Expenditures	
Instruction	-
Total Expenditures	-
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	125,298.00
Unencumbered Cash, Ending	<u>\$125,298.00</u>

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**TEXTBOOK RENTAL FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Current Year Actual</u>
Cash Receipts	
Local Sources	
Fees	\$12,652.17
Operating Transfer from General Fund	<u>30,000.00</u>
Total Cash Receipts	<u>42,652.17</u>
Expenditures	
Instruction	<u>10,039.31</u>
Total Expenditures	<u>10,039.31</u>
Receipts Over (Under) Expenditures	32,612.86
Unencumbered Cash, Beginning	<u>46.73</u>
Unencumbered Cash, Ending	<u>\$32,659.59</u>

UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS  
TITLE I FUND

Schedule of Cash Receipts and Expenditures - Actual  
For the Fiscal Year Ended June 30, 2012

	Current Year Actual
Cash Receipts	
Federal Sources	
Federal aid	\$172,300.00
Total Cash Receipts	172,300.00
Expenditures	
Instruction	169,529.92
Support Services	2,770.08
Total Expenditures	172,300.00
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	-
Unencumbered Cash, Ending	-

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**TITLE II TEACHER QUALITY FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Fiscal Year Ended June 30, 2012

	Current Year Actual
Cash Receipts	
Federal Sources	
Federal aid	\$37,481.00
	<u>37,481.00</u>
Total Cash Receipts	<u>37,481.00</u>
Expenditures	
Instruction	37,481.00
	<u>37,481.00</u>
Total Expenditures	<u>37,481.00</u>
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u><u>-</u></u>



**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**STUDENT LAPTOPS FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Current Year Actual</u>
Cash Receipts	
Local Sources	
Fees	<u>\$12,884.50</u>
Total Cash Receipts	<u>12,884.50</u>
Expenditures	
Instruction	<u>17,859.20</u>
Total Expenditures	<u>17,859.20</u>
Receipts Over (Under) Expenditures	(4,974.70)
Unencumbered Cash, Beginning	<u>6,315.18</u>
Unencumbered Cash, Ending	<u><u>\$1,340.48</u></u>

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**GRANT FUND**

Schedule of Cash Receipts and Expenditures - Actual  
For the Fiscal Year Ended June 30, 2012

	Current Year Actual
Cash Receipts	
Local Sources	
Other	\$52.00
Kan Ed grant	-
School Health grant	-
Federal Sources	
Title I ARRA	-
Title II D	-
Title II D ARRA	-
Total Cash Receipts	52.00
Expenditures	
Instruction	-
Support Services	-
Total Expenditures	-
Receipts Over (Under) Expenditures	52.00
Unencumbered Cash, Beginning	(3,952.85)
Unencumbered Cash, Ending	(\$3,900.85)

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**SCHOOL IMPROVEMENT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Current Year Actual</u>
Cash Receipts	
Local Sources	
Other	\$43,366.20
Federal Sources	
School Improvement	<u>434,975.00</u>
Total Cash Receipts	<u>478,341.20</u>
Expenditures	
Instruction	433,424.80
Support Services	<u>10,197.00</u>
Total Expenditures	<u>443,621.80</u>
Receipts Over (Under) Expenditures	34,719.40
Unencumbered Cash, Beginning	<u>22,463.03</u>
Unencumbered Cash, Ending	<u><u>\$57,182.43</u></u>

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**AGENCY FUNDS**

Schedule of Cash Receipts and Cash Disbursements  
For the Fiscal Year Ended June 30, 2012

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
Agency Funds				
Student Organizations				
Southeast High School	\$28,125.43	\$137,484.96	\$136,082.13	\$29,528.26
McCune Attendance Center	1,499.84	47.00	1,066.77	480.07
Cherokee Attendance Center	971.26	8,689.81	8,606.31	1,054.76
Weir Attendance Center	1,231.12	1,890.55	3,043.58	78.09
Junior High Athletics & Cheerleading	227.22	-	227.22	-
Totals	<u>\$32,054.87</u>	<u>\$148,112.32</u>	<u>\$149,026.01</u>	<u>\$31,141.18</u>

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**DISTRICT ACTIVITY FUNDS**  
Summary of Cash Receipts, Expenditures, and Unencumbered Cash  
For the Fiscal Year Ended June 30, 2012

Funds	Beginning Unencumbered Cash Balances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Cash Balances June 30, 2012	2011
<b>Gate Receipts</b>							
Southeast High School	\$8,985.65	\$47,191.14	\$44,876.93	\$11,299.86	-	\$11,299.86	\$8,985.65
McCune Attendance Center	1,859.18	73.24	-	1,932.42	-	1,932.42	1,859.18
Cherokee Attendance Center	-	17,838.91	5,409.94	12,428.97	-	12,428.97	-
Junior High Athletics	11,089.93	-	11,089.93	-	-	-	11,089.93
<b>Total Gate Receipts</b>	<b>21,934.76</b>	<b>65,103.29</b>	<b>61,376.80</b>	<b>25,661.25</b>	<b>-</b>	<b>25,661.25</b>	<b>21,934.76</b>
<b>School Projects</b>							
McCune Attendance Center	30.11	-	-	30.11	-	30.11	30.11
Cherokee Attendance Center	61.09	700.00	350.00	411.09	-	411.09	61.09
Weir Attendance Center	6,214.75	3,703.03	2,197.43	7,720.35	-	7,720.35	6,214.75
<b>Total School Projects</b>	<b>6,305.95</b>	<b>4,403.03</b>	<b>2,547.43</b>	<b>8,161.55</b>	<b>-</b>	<b>8,161.55</b>	<b>6,305.95</b>
<b>Totals</b>	<b>\$28,240.71</b>	<b>\$69,506.32</b>	<b>\$63,924.23</b>	<b>\$33,822.80</b>	<b>-</b>	<b>\$33,822.80</b>	<b>\$28,240.71</b>

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**SOUTHEAST HIGH SCHOOL ACTIVITY FUND**  
Schedule of Cash Receipts, Cash Disbursements and Cash Balances  
For the Fiscal Year Ended June 30, 2012

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
<b><u>Student Activity Funds</u></b>				
<b>Student Organizations</b>				
Annual	\$6,482.24	\$6,109.31	\$7,905.91	\$4,685.64
Band	192.66	2,300.78	2,139.15	354.29
Drama	500.00	-	-	500.00
Kayettes (KAY'S)	358.19	3,357.83	3,011.05	704.97
FFA	1,054.65	10,304.46	9,724.82	1,634.29
FCCLA	1,774.39	1,940.50	2,782.08	932.81
Science Club	159.20	1,803.63	1,348.31	614.52
Art club	295.82	690.00	864.09	121.73
Technology	1,126.58	1,716.80	1,710.30	1,133.08
Vocational-Ag	2,518.80	1,680.40	2,747.54	1,451.66
Juniors	3,723.89	30,617.93	27,867.74	6,474.08
N.H.S.	271.84	235.00	205.00	301.84
Senior Class	1,124.42	2,556.87	3,681.29	-
Shop	332.44	2,958.91	2,511.81	779.54
Student Council	416.40	11,998.34	11,171.27	1,243.47
Library	115.81	32.00	-	147.81
Cheerleaders	318.79	10,347.61	10,399.96	266.44
FACS	154.01	2,265.43	1,530.78	888.66
Pep Club	175.13	690.22	436.25	429.10
History Club	583.13	475.41	612.96	445.58
Scholarship bowl	193.74	537.50	580.50	150.74
Journalism	46.08	-	-	46.08
Lancer Pride	795.25	120.20	812.79	102.66
Debate	1,538.94	5,584.56	5,009.81	2,113.69
Accounting & General Business	380.00	30.00	394.40	15.60
FBLA	173.84	1,432.51	1,585.81	20.54
Spirit Shack	2,294.16	8,903.71	8,042.87	3,155.00
FCA	327.50	-	-	327.50
Laptop fees	-	27,378.00	27,378.00	-
Local history	100.00	-	-	100.00
SRO resources	248.22	-	210.59	37.63
LT REP & DED	-	1,417.05	1,417.05	-
Grenhouse	349.31	-	-	349.31
Totals - Cash Basis	28,125.43	137,484.96	136,082.13	29,528.26
<b><u>District Activity Funds</u></b>				
<b>Gate Receipts</b>				
Athletics	8,985.65	47,191.14	44,876.93	11,299.86
Total - Cash Basis	8,985.65	47,191.14	44,876.93	11,299.86

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**SOUTHEAST HIGH SCHOOL ACTIVITY FUND**  
Schedule of Cash Receipts, Cash Disbursements and Cash Balances  
For the Fiscal Year Ended June 30, 2012

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
<u>District Activity Funds</u>				
Fees and User Charges				
Driver's Education	-	\$3,040.00	\$3,038.00	\$2.00
Food service	-	29,593.85	29,593.85	-
Sales tax	-	137.50		137.50
Book rental	-	26,533.05	26,533.05	-
Total - Cash Basis	-	59,304.40	59,164.90	139.50
<u>Special Revolving</u>				
Student general	2,715.17	812.57	1,233.47	2,294.27
Total - Cash Basis	2,715.17	812.57	1,233.47	2,294.27
 GRAND TOTALS (MEMORANDUM ONLY)	 \$39,826.25	 \$244,793.07	 \$241,357.43	 \$43,261.89

Notes for Schedule 5: Student Organization funds are Agency Funds and are reported in Schedule 3 Gate Receipts and Student Project Funds are Special Revenue Funds of the District and are reported in Schedule 4. Fee and User Charges and Special Revolving Funds are funds of the District. The funds are collected at the school sites and turned over to the District throughout the year. Any cash in these funds at year end are included in the General Fund and encumbered.

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**MCCUNE ATTENDANCE CENTER ACTIVITY FUND**  
Schedule of Cash Receipts, Cash Disbursements and Cash Balances  
For the Fiscal Year Ended June 30, 2012

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
<u>Student Activity Funds</u>				
Student Organizations				
Eighth grade	\$1,034.77	-	\$1,034.77	-
Calendar	347.71	-	-	347.71
Yearbook	117.36	47.00	32.00	132.36
Total - Cash Basis	1,499.84	47.00	1,066.77	480.07
<u>District Activity Funds</u>				
Gate Receipts				
Athletics	1,859.18	73.24	-	1,932.42
Total - Cash Basis	1,859.18	73.24	-	1,932.42
School Projects				
Carnival	-	-	-	-
Pritchett Grant	30.11	-	-	30.11
Totals - Cash Basis	30.11	-	-	30.11
Fees and User Charges				
Book rental	-	768.00	768.00	-
Food service	-	12,295.95	12,295.95	-
Totals - Cash Basis	-	13,063.95	13,063.95	-
Special Revolving				
Student general	905.75	1,118.06	45.50	1,978.31
Total - Cash Basis	905.75	1,118.06	45.50	1,978.31
GRAND TOTALS				
(MEMORANDUM ONLY)	\$4,294.88	\$14,302.25	\$14,176.22	\$4,420.91



**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**CHEROKEE ATTENDANCE CENTER SCHOOL ACTIVITY FUND**  
Schedule of Cash Receipts, Cash Disbursements and Cash Balances  
For the Fiscal Year Ended June 30, 2012

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
<u>Student Activity Funds</u>				
Student Organizations				
Eighth grade	\$228.65	\$7,455.76	\$7,481.17	\$203.24
Band	-	217.95	217.95	-
Cheerleading	-	1,016.10	907.19	108.91
Annual	742.61	-	-	742.61
Total - Cash Basis	971.26	8,689.81	8,606.31	1,054.76
<u>District Activity Funds</u>				
Gate Receipts				
Athletics	-	17,838.91	5,409.94	12,428.97
Total - Cash Basis	-	17,838.91	5,409.94	12,428.97
School Projects				
Pritchett Grant	61.09	-	-	61.09
Community Grant	-	700.00	350.00	350.00
Total - Cash Basis	61.09	700.00	350.00	411.09
Fees and User Charges				
Food service	-	33,949.70	33,949.70	-
Sales Tax	-	366.96	297.98	68.98
Textbook rental	(3.00)	2,977.86	2,974.86	-
Totals - Cash Basis	(3.00)	37,294.52	37,222.54	68.98
Special Revolving				
Student general	4,680.66	506.08	1,192.70	3,994.04
Totals - Cash Basis	4,680.66	506.08	1,192.70	3,994.04
 GRAND TOTALS (MEMORANDUM ONLY)	 \$5,710.01	 \$65,029.32	 \$52,781.49	 \$17,957.84

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**WEIR ATTENDANCE CENTER ACTIVITY FUND**  
Schedule of Cash Receipts, Cash Disbursements and Cash Balances  
For the Fiscal Year Ended June 30, 2012

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
<u>Student Activity Funds</u>				
Student Organizations				
Eighth grade	\$1,153.09	-	\$1,153.09	-
Yearbook	0.00	-	-	0.00
Stuco	-	-	-	-
Wellness	-	1,738.00	1,738.00	
Library		52.00	52.00	
Band	78.03	100.55	100.49	78.09
Total - Cash Basis	1,231.12	1,890.55	3,043.58	78.09
<u>School Projects</u>				
Carnival	6,214.75	3,703.03	2,197.43	7,720.35
Total - Cash Basis	6,214.75	3,703.03	2,197.43	7,720.35
<u>Fees and User Charges</u>				
Textbook rental	-	1,238.00	1,238.00	-
Food service	-	11,262.90	11,262.90	-
Totals - Cash Basis	-	12,500.90	12,500.90	-
<u>Special Revolving</u>				
Student general	841.13	425.71	614.47	652.37
Totals - Cash Basis	841.13	425.71	614.47	652.37
 GRAND TOTALS (MEMORANDUM ONLY)	 \$8,287.00	 \$18,520.19	 \$18,356.38	 \$8,450.81

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
**JUNIOR HIGH ATHLETICS AND CHEERLEADING ACTIVITY FUND**  
Schedule of Cash Receipts, Cash Disbursements and Cash Balances  
For the Fiscal Year Ended June 30, 2012

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
<u>Student Activity Funds</u>				
Student Organizations				
Junior High Cheerleading	\$227.22	-	\$227.22	-
Total - Cash Basis	227.22	-	227.22	-
<u>District Activity Funds</u>				
Gate Receipts				
Junior High Athletics	11,089.93	-	11,089.93	-
Total - Cash Basis	11,089.93	-	11,089.93	-
 GRAND TOTALS (MEMORANDUM ONLY)	 \$11,317.15	 -	 \$11,317.15	 -

**UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS**

**FEDERAL COMPLIANCE SECTION**

For the Fiscal Year Ended June 30, 2012

**UNIFIED SCHOOL DISTRICT #247**  
**CHEROKEE, KANSAS**  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2012

<u>Federal Grantor</u>	<u>Federal</u>	<u>Pass Through</u>		
<u>Pass Through Grantor</u>	<u>CFDA</u>	<u>Grantor's</u>		
<u>Program Title</u>	<u>Number</u>	<u>Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Passed Through the State of Kansas				
Department of Education				
School Breakfast Program	10.553	(1)	\$52,442.76	\$52,442.76
National School Lunch Program	10.555	(1)	167,279.25	167,279.25
Team Nutrition Training grant	10.574	(1)	24,971.14	24,971.14
Total U.S. Department of Agriculture			244,693.15	244,693.15
<u>U.S. Department of Education</u>				
Passed Through the State of Kansas				
Department of Education				
Title I Grants to Local Education Agencies	84.010	(1)	172,300.00	172,300.00
Tech Literacy	84.318	(1)	-	-
Title II Improving Teacher Quality	84.367	(1)	37,481.00	37,481.00
Title II - ARRA	84.386	(1)	-	-
School Improvement	84.388	(1)	434,975.00	400,255.60
Title I - ARRA	84.389	(1)	-	-
Education jobs	84.410	(1)	2,453.00	2,453.00
Totals U.S. Department of Education			647,209.00	612,489.60
Total Federal Awards			\$891,902.15	\$857,182.75

## Notes to the Schedule of Expenditures of Federal Awards

- (1) The number is not available.
- (2) Receipts and expenditures in this schedule are recorded using the same method of accounting used in the basic financial statements. Receipts are recorded when the cash is received and not when earned. Expenditures are recorded when cash is paid and includes payables as well as encumbrances.

# Diehl Banwart Bolton

*Certified Public Accountants PA*

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

To the Board of Education  
Unified School District #247  
Cherokee, Kansas

### **Compliance**

We have audited the compliance of Unified School District #247 with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2012. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the compliance of the District based on our audit.

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

In our opinion, Unified School District #247 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal program for the year ended June 30, 2012.

## Internal Control Over Compliance

The management of Unified School District #247 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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



DIEHL, BANWART, BOLTON, CPAs PA

November 5, 2012  
Fort Scott, Kansas

# Diehl Banwart Bolton

Certified Public Accountants P.A.

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

To the Board of Education  
Unified School District #247  
Cherokee, Kansas

We have audited the financial statements of Unified School District #247 as of the year ended June 30, 2012, and have issued our report thereon dated November 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control Over Financial Reporting**

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting (2012-1). A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

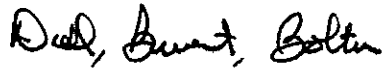


**Compliance and Other Matters**

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

We also noted matters involving internal controls that we have reported to management in a letter dated November 5, 2012.

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



DIEHL, BANWART, BOLTON, CPAs PA

November 5, 2012  
Fort Scott, Kansas

**UNIFIED SCHOOL DISTRICT #247  
CHEROKEE, KANSAS**

Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2012

**SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS:**

Type of auditors' report issued:

- Adverse for departures from accounting principles generally accepted in the United States of America due to preparation of financial statements in accordance with the statutory basis of accounting.
- Unqualified opinion on the statutory basis financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ YES X NO
- Significant deficiency(ies) identified that  
are not considered to be material weaknesses? \_\_\_ YES X NO  
NONE  
REPORTED

Noncompliance material to financial statements noted?

\_\_\_ YES X NO

**FEDERAL AWARDS:**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_ YES X NO
- Significant deficiency (ies) identified that  
are not considered to be material weaknesses? \_\_\_ YES X NO  
NONE  
REPORTED

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

Any audit findings disclosed that are required to be reported  
in accordance with Section 510(a) of Circular A-133?

\_\_\_ YES X NO

**IDENTIFICATION OF MAJOR PROGRAMS:**

<u>CFDA #</u>	<u>NAME OF PROGRAM</u>
10.553	School Breakfast Program
10.555	School Lunch Program
84.388	School Improvement Program

Auditee qualified as low-risk auditee?

X YES \_\_\_ NO

## **FINDINGS – FINANCIAL STATEMENTS AUDIT**

### **Significant Deficiency**

#### **2012-1 Drafting Financial Statements**

**Condition:** As auditors, we provide significant assistance with adjusting entries, as well as determining which disclosures are required under generally accepted accounting standards and the statutory basis of accounting.

**Criteria:** Internal controls should be in place that provide a reasonable assurance that the financial statements are appropriate in form and contain the required disclosures.

**Cause:** Relying upon the independent auditors is a significant deficiency in internal controls as they cannot be considered part of the District's internal control.

**Effect:** The District relies on independent auditors to determine the financial statements are in the correct form and include the proper disclosures.

**Recommendation:** None

**Response:** The District agrees with the finding. The District's response is in the attached Corrective Action Plan.

### **Material Weakness**

None Reported.

## **FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None Reported.

## UNIFIED SCHOOL DISTRICT #247

June 30, 2012 Financial Statements

### Corrective Action Plan

#### Audit Finding 2012-1

USD #247 has always relied upon its auditors to provide significant assistance with adjusting entries and with determining which disclosures were required under generally accepted accounting principles and the statutory basis of accounting. While USD #247 understands that this is a significant deficiency in our internal controls, we believe it is the most cost effective manner for us to produce our financial statements. Our accounting staff concentrate on providing the reports needed for management purposes and preparing the required reports for the Kansas Department of Education. We believe it would be inefficient and cost prohibitive for our staff to attempt to stay current on all the requirements of GAAP and the statutory basis of accounting. We do not plan on making any changes at this time. However, we will monitor this situation and periodically determine if it is cost effective for us to perform these functions.