

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
ANDOVER, KANSAS**

**FINANCIAL STATEMENT  
JUNE 30, 2012**

***BFR***

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**BUSBY FORD & REIMER, LLC**

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CERTIFIED PUBLIC ACCOUNTANTS

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**TABLE OF CONTENTS**  
**JUNE 30, 2012**

Independent Auditors' Report	<u>Page</u> 1 – 3
<b>Financial Statement</b>	
Summary of Cash Receipts, Expenditures, and Unencumbered Cash	4
Notes to Financial Statement	5 – 13
<b>Supplementary Information</b>	
Summary of Expenditures - Actual and Budget	14
Statement of Cash Receipts and Expenditures - Actual and Budget	
General Fund	15
Supplemental General Fund	16
At Risk Fund (4 Year Old)	17
At Risk Fund (K-12)	18
Bilingual Education Fund	19
Virtual Education Fund	20
Capital Outlay Fund	21
Driver Training Fund	22
Food Service Fund	23
Professional Development Fund	24
Summer School Fund	25
Special Education Fund	26
Vocational Education Fund	27
KPERs Contribution Fund	28
Bond and Interest Fund	29
Statement of Cash Receipts and Expenditures - Actual	
Federal Funds	30
Gifts & Grants Fund	31
Contingency Reserve Fund	32
Textbook Rental Fund	33
Statement of Cash Receipts and Cash Disbursements	
Agency Funds	34 – 47
Statement of Cash Receipts, Expenditures, and Unencumbered Cash	
District Activity Funds	48 – 59
<b>Federal Award Information</b>	
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 <i>Government Auditing Standards</i>	60 – 61
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	62 – 63
Schedule of Expenditures of Federal Awards	64
Notes to Schedule of Expenditures of Federal Awards	65
Schedule of Findings and Questioned Costs	66
Schedule of Prior Year Findings and Questioned Costs	67



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# BUSBY FORD & REIMER, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

**Board of Education  
Andover Unified School District No. 385  
Andover, Kansas**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Andover Unified School District No. 385, Andover, Kansas**, as of and for the year ended **June 30, 2012**.

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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 and the *Kansas Municipal Audit and Accounting 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 statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Board of Education**  
**Andover Unified School District No. 385**

As described in Note 1 of the financial statement, the financial statement is prepared by **Andover Unified School District No. 385, Andover, Kansas** to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 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 significance 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 **Andover Unified School District No. 385, Andover, Kansas**, as of **June 30, 2012**, or the changes in its financial position and cash flows 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 **Andover Unified School District No. 385, Andover, Kansas**, as of **June 30, 2012**, and the aggregate cash receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2012, on our consideration of **Andover Unified School District No. 385, Andover, Kansas**, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statement. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, individual funds schedules of cash receipts and expenditures-actual, and schedule of cash receipts and disbursements-agency funds (Supplementary Information as listed in the table of contents) are presented for analysis and are not a required part of the regulatory 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 not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The 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 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.

**Board of Education  
Andover Unified School District No. 385**

The 2011 Actual columns presented in the individual fund schedules of cash receipts and expenditures-actual and budget and schedule of cash receipts and disbursements-agency funds (Supplementary Information as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 financial statement upon which we rendered an unqualified opinion dated February 29, 2012. The 2011 financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 financial statement and certain additional procedures, including comparing and reconciling such statement to the 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 2011 comparative information is fairly stated in all material respects in relation to the 2011 financial statements as a whole.



Busby Ford & Reimer, LLC

December 20, 2012

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**SUMMARY OF CASH RECEIPTS, EXPENDITURES,**  
**AND UNENCUMBERED CASH**  
**REGULATORY BASIS**  
**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	Ending Cash Balance
General Fund	\$ 1,880	\$ 381	\$ 26,440,862	\$ 26,432,020	\$ 11,103	\$ 164,566	\$ 175,669
Special Purpose Funds							
Supplemental General	325,362	845	8,915,805	8,744,884	497,128	284,155	781,283
At Risk (4 Year Old)	26,856	0	86,544	106,150	7,250	0	7,250
At Risk (K-12)	310,013	7	1,359,833	1,304,125	365,728	0	365,728
Bilingual Education	13,127	0	94,000	101,344	5,783	0	5,783
Virtual Education	113,195	0	1,216,553	1,192,226	137,522	375	137,897
Capital Outlay	1,737,196	94,438	1,992,585	2,636,602	1,187,617	548,597	1,736,214
Driver Training	86,810	0	52,726	41,033	98,503	0	98,503
Food Service	207,065	0	2,091,055	2,129,373	168,747	104,531	273,278
Professional Development	2,643	200	25,795	26,999	1,639	2,687	4,326
Summer School	4,622	0	5,100	7,459	2,263	0	2,263
Special Education	212,227	0	4,964,385	4,980,724	195,888	5,464	201,352
Vocational Education	9,281	0	349,327	358,608	0	0	0
KPERS Contribution	0	0	2,512,658	2,512,658	0	0	0
Federal Funds	1,821	0	271,284	269,402	3,703	0	3,703
Gifts and Grants Fund	56,277	1	238,765	162,088	132,955	3,344	136,299
Contingency Reserve	814,020	0	0	257,437	556,583	0	556,583
Textbook Rental	215,401	61,495	1,104,596	992,058	389,434	748,798	1,138,232
District Activity Funds	355,157	0	666,391	675,666	345,882	0	345,882
Debt Service Funds							
Bond and Interest	5,617,517	0	10,063,771	9,040,455	6,640,833	0	6,640,833
	<u>\$ 10,110,470</u>	<u>\$ 157,367</u>	<u>\$ 62,452,035</u>	<u>\$ 61,971,311</u>	<u>\$ 10,748,561</u>	<u>\$ 1,862,517</u>	<u>\$ 12,611,078</u>
Composition of Cash:					Checking and Money Market Accounts		
					Certificates of Deposit		
					Agency Funds		
					\$ 12,865,916		
					<u>35,754</u>		
					<u>12,901,670</u>		
					<u>(290,592)</u>		
					<u>\$ 12,611,078</u>		

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



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

**Note 1 - Summary of Significant Accounting Policies:**

Financial Reporting Entity

**Andover Unified School District No. 385** is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Andover, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statements include all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

**KMAAG Regulatory Basis of Presentation Fund Definitions:**

General Fund-The primary operating fund. Used to account for all unrestricted resources except those required to be accounted for in another fund.

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

Debt Service Fund-To account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Agency Funds-To account for resources held in a trustee or agency capacity for others which therefore cannot be used to support the government's own programs.

Regulatory Basis of Accounting

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

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

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

Budget and Tax Cycle

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one amendment for the year ended June 30, 2012.

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

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



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

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

Federal Funds  
Contingency Reserve Fund  
District Activity Funds

Gifts and Grants Fund  
Textbook Rental Fund

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

**Note 2 - Compensated Absences:**

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

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

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

The District recognizes as revenues and expenses contributions made by the State of Kansas to the Kansas Public Employees Retirement System (KPERs) on behalf of the District's employees. For the year ended June 30, 2012, the State made contributions of \$2,512,658. These contributions are recorded in the KPERs Contribution Fund as receipts and expenditures.

**Note 4 - Contingencies:**

Grant Programs

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

Risk Management

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

**Note 5 - Subsequent Events:**

The District has evaluated subsequent events through December 20, 2012, the date which the financial statements were available to be issued.

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

**Note 6 - Deposits:**

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

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

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2012.

At June 30, 2012, the District's carrying amount of deposits was \$12,901,670 and the bank balance was \$14,627,687. The bank balance is held by two banks. Of the bank balance, \$285,754 was covered by depository insurance, and the remaining \$14,341,933 was collateralized with securities held by the pledging financial institution's agent 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 7 - Interfund Transactions:**

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

	Transfer To:								Total
	At Risk (4 Year Old)	At Risk (K-12)	Bilingual Education	Virtual Education	Professional Development	Special Education	Vocational Education	Textbook Rental	
Transfer from:									
General Fund	\$ 79,219	\$ 989,392	\$ 94,000	\$ 1,190,700	\$ 0	\$ 4,191,472	\$ 207,900	\$ 382,303	\$ 7,134,986
Supplemental									
General Fund	0	0	0	0	16,439	607,775	141,427	285,064	1,050,705
	<u>\$ 79,219</u>	<u>\$ 989,392</u>	<u>\$ 94,000</u>	<u>\$ 1,190,700</u>	<u>\$ 16,439</u>	<u>\$ 4,799,247</u>	<u>\$ 349,327</u>	<u>\$ 667,367</u>	<u>\$ 8,185,691</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

**Note 8 - Postemployment Benefits:**

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

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

**Note 9 - Defined Benefit Pension Plan:**

Plan Description

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

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at a minimum of 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 9.77% of covered payroll for the year ended June 30, 2012. 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.

**Note 10 - Reimbursed Expenses:**

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

**Note 11 - Facility Lease Agreement:**

In September 1992, the District entered into a facilities lease agreement with Butler County Community College. The agreement provides for annual rental payments. The District received \$177,652 in rental payments for the year ended June 30, 2012.

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

**Note 12 - Advance Refunding of Bond Obligation:**

On December 1, 1998, the District issued \$9,850,500 in General Obligation Bonds with interest rates ranging from 3.60% to 5.50%. Of the issue, \$4,439,195 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1994 bonds. As a result, this portion of the 1994 bonds is considered defeased and not included in long-term debt below.

On August 1, 1999, the District issued \$18,930,000 in General Obligation Bonds with interest rates ranging from 3.60% to 5.70%. Of the issue, \$6,597,307 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1992 and 1994 bonds. As a result, this portion of the 1992 and 1994 bonds is considered defeased and not included in long-term debt below.

On May 15, 2000, the District issued \$20,055,000 in General Obligation Bonds with interest rates ranging from 4.80% to 6.00%. Of the issue, \$2,992,770 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1994 bonds. As a result, this portion of the 1994 bonds is considered defeased and not included in long-term debt below.

On November 1, 2005, the District issued \$36,170,000 in General Obligation Bonds with interest rates ranging from 3.00% to 5.00%. Of the issue, \$6,180,000 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1999 bonds. As a result, this portion of the 1999 bonds is considered defeased and not included in long-term debt below.

On April 1, 2007, the District issued \$27,860,000 in General Obligation Bonds with interest rates ranging from 4.00% to 5.00%. Of the issue, \$17,990,000 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1998, 2000 and 2001 bonds. As a result, this portion of the 1998, 2000 and 2001 bonds is considered defeased and not included in long-term debt below.

On May 1, 2009, the District issued \$4,980,000 in General Obligation Bonds with interest rates ranging from 2.50% to 4.00%. Of the issue, \$4,990,000 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1998 bonds. As a result, this portion of the 1998 bonds is considered defeased and not included in long-term debt below.

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

On April 15, 2010, the District issued \$5,295,000 in General Obligation Bonds with interest rates of 2.00%. Of the issue, \$5,220,000 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1999 and 2001 bonds. As a result, this portion of the 1999 and 2001 bonds is considered defeased and not included in long-term debt below.

On May 1, 2012, the District issued \$9,810,000 in General Obligation Bonds with interest rates of 2.00%. Of the issue, \$9,867,650 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 2005 bonds. As a result, this portion of the 2005 bonds is considered defeased and not included in long-term debt below.

**Note 13 - Long-Term Debt:**

Principal payments are due annually for general obligation bonds on September 1. Interest payments are due semi-annually on March 1 and September 1.

Lease payments are due monthly.

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

<u>Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General Obligation Bonds				
1998 Series	3.60 - 5.50	12/1/98	9,850,000	9/1/18
1999 Series	3.60 - 5.70	8/1/99	18,930,000	9/1/18
2000 Series	4.80 - 6.00	5/15/00	20,055,000	9/1/18
2005 Series	3.00 - 5.00	11/1/05	36,170,000	9/1/19
2007 Series	4.00 - 5.00	4/1/07	27,860,000	9/1/19
2009 Series	2.50 - 4.00	5/1/09	4,980,000	9/1/15
2010 Series	2.00	4/15/10	5,295,000	9/1/14
2012 Series	2.00	5/1/12	9,810,000	9/1/19
Qualified School Construction Bonds				
2011 Series	0.00	3/1/11	2,000,000	9/1/21
Capital Leases				
Phone System	5.63	7/1/07	1,185,587	6/30/12
Central Office	5.256	3/1/10	420,000	3/1/22
Computer Server	2.16	6/1/11	626,068	6/1/14
Buses	2.99	7/20/11	155,422	7/20/14
Bus	3.19	10/3/11	94,380	10/3/14



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

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

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>General Obligation Bonds</b>					
1998 Series	\$ 1,700,000	\$ 0	\$ 0	\$ 1,700,000	\$ 93,500
1999 Series	4,000,000	0	0	4,000,000	226,075
2000 Series	10,905,000	0	1,085,000	9,820,000	620,313
2005 Series	34,405,000	0	10,275,000	24,130,000	1,501,605
2007 Series	27,630,000	0	250,000	27,380,000	1,267,525
2009 Series	4,655,000	0	375,000	4,280,000	144,938
2010 Series	4,180,000	0	1,710,000	2,470,000	66,500
2012 Series	0	9,810,000	0	9,810,000	0
<b>Qualified School Construction Bonds</b>					
2011 Series	2,000,000	0	0	2,000,000	0
	<u>89,475,000</u>	<u>9,810,000</u>	<u>13,695,000</u>	<u>85,590,000</u>	<u>3,920,456</u>
<b>Capital Leases</b>					
Phone System	134,892	0	134,892	0	5,303
Central Office	390,467	0	25,042	365,425	19,958
Computer Server	464,499	0	151,536	312,963	10,033
Buses	0	155,422	46,022	109,400	3,689
Bus	0	94,380	20,201	74,179	1,820
	<u>989,858</u>	<u>249,802</u>	<u>377,693</u>	<u>861,967</u>	<u>40,803</u>
	<u>\$ 90,464,858</u>	<u>\$ 10,059,802</u>	<u>\$ 14,072,693</u>	<u>\$ 86,451,967</u>	<u>\$ 3,961,259</u>

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

	Principal			Interest			Total Principal and Interest
	General Obligation Bonds	Capital Leases	Total Principal	General Obligation Bonds	Capital Leases	Total Interest	
2013	\$ 6,250,000	\$ 264,033	\$ 6,514,033	\$ 3,530,543	\$ 29,797	\$ 3,560,340	\$ 10,074,373
2014	7,350,000	271,373	7,621,373	3,239,840	22,458	3,262,298	10,883,671
2015	8,670,000	44,810	8,714,810	2,878,048	15,720	2,893,768	11,608,578
2016	10,090,000	30,906	10,120,906	2,480,193	14,094	2,494,287	12,615,193
2017	11,520,000	32,606	11,552,606	1,989,113	12,394	2,001,507	13,554,113
2018 - 2022	41,710,000	218,239	41,928,239	2,534,393	33,270	2,567,663	44,495,902
	<u>\$ 85,590,000</u>	<u>\$ 861,967</u>	<u>\$ 86,451,967</u>	<u>\$ 16,652,130</u>	<u>\$ 127,733</u>	<u>\$ 16,779,863</u>	<u>\$ 103,231,830</u>



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO FINANCIAL STATEMENT**  
**JUNE 30, 2012**

**Note 14 - Unencumbered Beginning Cash:**

For prior periods K.S.A. 72-6417(d) and 72-6434(d) required the school district to record any payment of general state aid that was due to be paid during the month of June and was paid to the school district after June 30, as a receipt for the school year ending June 30. The previous statutory basis of accounting required the payment to be recorded when received. For years ending on or after June 30, 2012, the current regulatory basis includes such payments as received for the school year ending June 30. Beginning unencumbered cash has been restated to reflect such payments for June 30, 2011. The following reconciles the balances previously reported with the restated amounts:

	6/30/2011		6/30/2011
	Balance		Balance
	Previously	July State Aid	Balance
	Reported	Payment	Restated
General Fund	\$ (1,367,755)	\$ 1,369,635	\$ 1,880
Supplemental General Fund	129,318	196,044	325,362
	<u>\$ (1,238,437)</u>	<u>\$ 1,565,679</u>	<u>\$ 327,242</u>

## **SUPPLEMENTARY INFORMATION**

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Certified Budget	Adjustment to		Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Favorable (Unfavorable)
		Comply with Legal Max	Comply with				
General Fund	\$ 26,245,296	\$ (321,752)	\$	\$ 508,476	\$ 26,432,020	\$ 26,432,020	\$ 0
Special Purpose Funds							
Supplemental General	8,834,657	(131,926)		42,348	8,745,079	8,744,884	195
At Risk (4 Year Old)	106,150	0		0	106,150	106,150	0
At Risk (K-12)	1,000,000	0		370,441	1,370,441	1,304,125	66,316
Bilingual Education	101,350	0		0	101,350	101,344	6
Virtual Education	1,299,033	0		0	1,299,033	1,192,226	106,807
Capital Outlay	2,753,170	0		0	2,753,170	2,636,602	116,568
Driver Training	66,327	0		0	66,327	41,033	25,294
Food Service	2,300,000	0		0	2,300,000	2,129,373	170,627
Professional Development	17,643	0		9,356	26,999	26,999	0
Summer School	10,000	0		0	10,000	7,459	2,541
Special Education	5,278,657	0		0	5,278,657	4,980,724	297,933
Vocational Education	375,191	0		0	375,191	358,608	16,583
KPERS Contribution	2,706,324	0		0	2,706,324	2,512,658	193,666
Federal Funds	XXXXXXXXXX	XXXXXXXXXX		XXXXXXXXXX	XXXXXXXXXX	269,402	XXXXXXXXXX
Gifts and Grants Fund	XXXXXXXXXX	XXXXXXXXXX		XXXXXXXXXX	XXXXXXXXXX	162,088	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX		XXXXXXXXXX	XXXXXXXXXX	257,437	XXXXXXXXXX
Textbook Rental	XXXXXXXXXX	XXXXXXXXXX		XXXXXXXXXX	XXXXXXXXXX	992,058	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX		XXXXXXXXXX	XXXXXXXXXX	675,666	XXXXXXXXXX
Debt Service Funds	XXXXXXXXXX	XXXXXXXXXX		XXXXXXXXXX	XXXXXXXXXX		
Bond and Interest	9,040,455	0		0	9,040,455	9,040,455	0
	\$ 60,134,253	\$ (453,678)	\$	\$ 930,621	\$ 60,611,196	\$ 61,971,311	\$ 996,536

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>General Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 5,480,672	\$ 5,605,131	\$ 4,921,230	\$ 683,901
County Sources	9,682	10,324	0	10,324
State Sources	19,112,603	20,813,780	21,316,781	(503,001)
Federal Sources	1,242,112	11,627	0	11,627
	<u>25,845,069</u>	<u>26,440,862</u>	<u>\$ 26,238,011</u>	<u>\$ 202,851</u>
Expenditures				
Instruction	12,961,420	11,969,616	\$ 12,557,759	\$ 588,143
Student Support Services	1,028,707	1,151,513	1,048,587	(102,926)
Instructional Support Staff	774,855	797,341	788,666	(8,675)
School Administration	2,224,475	2,273,246	2,281,473	8,227
Operations & Maintenance	1,749,673	1,801,927	1,758,384	(43,543)
Student Transportation Services	1,092,079	1,039,650	806,082	(233,568)
Other Supplemental Services	359,779	263,741	310,805	47,064
Transfers	5,659,017	7,134,986	6,693,540	(441,446)
Adjustment to Comply With Legal Max	0	0	(321,752)	(321,752)
Adjustment for Qualifying Budget Credits	0	0	508,476	508,476
	<u>25,850,005</u>	<u>26,432,020</u>	<u>\$ 26,432,020</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(4,936)	8,842		
Unencumbered Cash, Beginning	2,828	1,880		
Prior Year Canceled Encumbrances	<u>3,988</u>	<u>381</u>		
Unencumbered Cash, Ending	<u>\$ 1,880</u>	<u>\$ 11,103</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Supplemental General Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 4,552,931	\$ 4,786,224	\$ 4,487,055	\$ 299,169
County Sources	544,201	534,314	511,386	22,928
State Sources	3,299,829	3,595,267	3,518,261	77,006
	<u>8,396,961</u>	<u>8,915,805</u>	<u>\$ 8,516,702</u>	<u>\$ 399,103</u>
Expenditures				
Instruction	3,904,710	4,064,032	\$ 4,920,831	\$ 856,799
Instruction Support Staff	0	33,391	0	(33,391)
General Administration	705,018	697,312	738,289	40,977
Operations & Maintenance	1,947,310	1,814,523	1,681,000	(133,523)
Student Transportation Services	0	0	0	0
Other Supplemental Services	1,524,145	1,084,921	1,065,933	(18,988)
Facility Acquisition & Construction				
Services	33,113	0	0	0
Transfers	166,246	1,050,705	428,604	(622,101)
Adjustment to Comply With Legal				
Max	0	0	(131,926)	(131,926)
Adjustment for Qualifying Budget				
Credits	<u>0</u>	<u>0</u>	<u>42,348</u>	<u>42,348</u>
	<u>8,280,542</u>	<u>8,744,884</u>	<u>\$ 8,745,079</u>	<u>\$ 195</u>
Receipts Over (Under) Expenditures	116,419	170,921		
Unencumbered Cash, Beginning	207,519	325,362		
Prior Year Canceled Encumbrances	<u>1,424</u>	<u>845</u>		
Unencumbered Cash, Ending	<u>\$ 325,362</u>	<u>\$ 497,128</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>At Risk Fund (4 Year Old)</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	\$ 7,325	\$ 0	\$ 7,325
Transfers	118,800	79,219	100,000	(20,781)
	<u>118,800</u>	<u>86,544</u>	<u>\$ 100,000</u>	<u>\$ (13,456)</u>
Expenditures				
Instruction	93,533	105,168	\$ 106,150	\$ 982
Food Service Operation	1,496	982	0	(982)
	<u>95,029</u>	<u>106,150</u>	<u>\$ 106,150</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	23,771	(19,606)		
Unencumbered Cash, Beginning	3,085	26,856		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 26,856</u>	<u>\$ 7,250</u>		



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>At Risk Fund (K-12)</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	(Unfavorable)
Cash Receipts				
Local Sources	\$ 320,596	\$ 370,441	\$ 0	\$ 370,441
Transfers	<u>678,588</u>	<u>989,392</u>	<u>909,468</u>	<u>(79,924)</u>
	<u>999,184</u>	<u>1,359,833</u>	<u>\$ 909,468</u>	<u>\$ 290,517</u>
Expenditures				
Instruction	893,894	1,304,125	\$ 946,000	\$ (358,125)
Operations & Maintenance	0	0	36,000	36,000
Other Supplemental Services	0	0	18,000	18,000
Adjustment for Qualifying Budget Credits	<u>0</u>	<u>0</u>	<u>370,441</u>	<u>370,441</u>
	<u>893,894</u>	<u>1,304,125</u>	<u>\$ 1,370,441</u>	<u>\$ 66,316</u>
Receipts Over (Under) Expenditures	105,290	55,708		
Unencumbered Cash, Beginning	204,678	310,013		
Prior Year Canceled Encumbrances	<u>45</u>	<u>7</u>		
Unencumbered Cash, Ending	\$ 310,013	\$ 365,728		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Bilingual Education Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 93,764	\$ 94,000	\$ 94,000	\$ 0
	<u>93,764</u>	<u>94,000</u>	<u>\$ 94,000</u>	<u>\$ 0</u>
Expenditures				
Instruction	91,518	101,344	\$ 101,350	\$ 6
	<u>91,518</u>	<u>101,344</u>	<u>\$ 101,350</u>	<u>\$ 6</u>
Receipts Over (Under) Expenditures	2,246	(7,344)		
Unencumbered Cash, Beginning	10,881	13,127		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 13,127</u>	<u>\$ 5,783</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Virtual Education Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 6,058	\$ 25,853	\$ 0	\$ 25,853
Transfers	739,651	1,190,700	1,190,700	0
	<u>745,709</u>	<u>1,216,553</u>	<u>\$ 1,190,700</u>	<u>\$ 25,853</u>
Expenditures				
Instruction	536,917	1,018,380	\$ 1,261,803	\$ 243,423
Student Support Services	3,553	8,795	29,230	20,435
School Administration	75,044	165,051	8,000	(157,051)
Operations & Maintenance	17,000	0	0	0
	<u>632,514</u>	<u>1,192,226</u>	<u>\$ 1,299,033</u>	<u>\$ 106,807</u>
Receipts Over (Under) Expenditures	113,195	24,327		
Unencumbered Cash, Beginning	0	113,195		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 113,195</u>	<u>\$ 137,522</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Capital Outlay Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	(Unfavorable)
Cash Receipts				
Local Sources	\$ 1,742,719	\$ 1,748,973	\$ 1,737,829	\$ 11,144
County Sources	231,831	223,981	318,662	(94,681)
State Sources	34	35	0	35
Federal Sources	<u>104,595</u>	<u>19,596</u>	<u>0</u>	<u>19,596</u>
	<u>2,079,179</u>	<u>1,992,585</u>	<u>\$ 2,056,491</u>	<u>\$ (63,906)</u>
Expenditures				
Instruction	597,844	1,187,350	\$ 800,000	\$ (387,350)
General Administration	239,030	221,490	208,500	(12,990)
School Administration	0	0	0	0
Central Services	0	0	165,000	165,000
Operations & Maintenance	106,933	55,456	245,000	189,544
Transportation	148,531	71,732	150,000	78,268
Facility Acquisition & Construction				
Services	714,238	1,100,574	1,184,670	84,096
Debt Service	<u>141,872</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>1,948,448</u>	<u>2,636,602</u>	<u>\$ 2,753,170</u>	<u>\$ 116,568</u>
Receipts Over (Under) Expenditures	130,731	(644,017)		
Unencumbered Cash, Beginning	1,605,902	1,737,196		
Prior Year Canceled Encumbrances	<u>563</u>	<u>94,438</u>		
Unencumbered Cash, Ending	\$ 1,737,196	\$ 1,187,617		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Driver Training Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 34,825	\$ 37,874	\$ 30,000	\$ 7,874
State Sources	17,612	14,852	11,692	3,160
	<u>52,437</u>	<u>52,726</u>	<u>\$ 41,692</u>	<u>\$ 11,034</u>
Expenditures				
Instruction	29,168	29,166	\$ 38,827	\$ 9,661
Vehicle Operations, Maintenance Services	6,244	11,867	27,500	15,633
	<u>35,412</u>	<u>41,033</u>	<u>\$ 66,327</u>	<u>\$ 25,294</u>
Receipts Over (Under) Expenditures	17,025	11,693		
Unencumbered Cash, Beginning	69,785	86,810		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 86,810</u>	<u>\$ 98,503</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Food Service Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year			
	Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 1,486,344	\$ 1,549,775	\$ 1,774,565	\$ (224,790)
State Sources	19,995	21,643	16,975	4,668
Federal Sources	456,299	519,637	509,839	9,798
	<u>1,962,638</u>	<u>2,091,055</u>	<u>\$ 2,301,379</u>	<u>\$ (210,324)</u>
Expenditures				
Food Service Operation	<u>1,877,455</u>	<u>2,129,373</u>	<u>\$ 2,300,000</u>	<u>\$ 170,627</u>
	<u>1,877,455</u>	<u>2,129,373</u>	<u>\$ 2,300,000</u>	<u>\$ 170,627</u>
Receipts Over (Under) Expenditures	85,183	(38,318)		
Unencumbered Cash, Beginning	121,882	207,065		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 207,065</u>	<u>\$ 168,747</u>		



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Professional Development Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	\$ 9,356	\$ 0	\$ 9,356
Transfers	19,500	16,439	15,000	1,439
	<u>19,500</u>	<u>25,795</u>	<u>\$ 15,000</u>	<u>\$ 10,795</u>
Expenditures				
Instructional Support Staff	19,500	26,999	\$ 17,643	\$ (9,356)
Adjustment for Qualifying Budget Credits	0	0	9,356	9,356
	<u>19,500</u>	<u>26,999</u>	<u>\$ 26,999</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0	(1,204)		
Unencumbered Cash, Beginning	2,643	2,643		
Prior Year Canceled Encumbrances	<u>0</u>	<u>200</u>		
Unencumbered Cash, Ending	<u>\$ 2,643</u>	<u>\$ 1,639</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Summer School Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 5,660	\$ 5,100	\$ 10,000	\$ (4,900)
Transfers	5,356	0	0	0
	<u>11,016</u>	<u>5,100</u>	<u>\$ 10,000</u>	<u>\$ (4,900)</u>
Expenditures				
Instruction	3,700	0	\$ 5,425	\$ 5,425
School Administration	4,224	2,831	4,575	1,744
Food Service Operation	0	4,628	0	(4,628)
	<u>7,924</u>	<u>7,459</u>	<u>\$ 10,000</u>	<u>\$ 2,541</u>
Receipts Over (Under) Expenditures	3,092	(2,359)		
Unencumbered Cash, Beginning	1,530	4,622		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 4,622</u>	<u>\$ 2,263</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Special Education Fund</u>	<u>Current Year</u>			Variance -
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
Cash Receipts				
Local Sources	\$ 202,443	\$ 165,138	\$ 200,000	\$ (34,862)
Federal Sources	11,792	0	10,000	(10,000)
Transfers	<u>3,804,204</u>	<u>4,799,247</u>	<u>4,856,278</u>	<u>(57,031)</u>
	<u>4,018,439</u>	<u>4,964,385</u>	<u>\$ 5,066,278</u>	<u>\$ (101,893)</u>
Expenditures				
Instruction	4,036,752	4,735,207	\$ 5,090,361	\$ 355,154
Student Support Services	28,939	20,761	0	(20,761)
Student Transportation Services	<u>182,150</u>	<u>224,756</u>	<u>188,296</u>	<u>(36,460)</u>
	<u>4,247,841</u>	<u>4,980,724</u>	<u>\$ 5,278,657</u>	<u>\$ 297,933</u>
Receipts Over (Under) Expenditures	(229,402)	(16,339)		
Unencumbered Cash, Beginning	441,602	212,227		
Prior Year Canceled Encumbrances	<u>27</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 212,227</u>	<u>\$ 195,888</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Vocational Education Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 365,400	\$ 349,327	\$ 365,700	\$ (16,373)
	<u>365,400</u>	<u>349,327</u>	<u>\$ 365,700</u>	<u>\$ (16,373)</u>
Expenditures				
Instruction	356,119	358,608	\$ 375,191	\$ 16,583
	<u>356,119</u>	<u>358,608</u>	<u>\$ 375,191</u>	<u>\$ 16,583</u>
Receipts Over (Under) Expenditures	9,281	(9,281)		
Unencumbered Cash, Beginning	0	9,281		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 9,281</u>	<u>\$ 0</u>		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

KPERS Contribution Fund	Current Year			Variance - Favorable (Unfavorable)
	Prior Year	Actual	Budget	
	Actual			
Cash Receipts				
State Sources	\$ 1,439,534	\$ 2,512,658	\$ 2,706,324	\$ (193,666)
	<u>1,439,534</u>	<u>2,512,658</u>	<u>\$ 2,706,324</u>	<u>\$ (193,666)</u>
Expenditures				
Instruction	907,634	1,584,247	\$ 1,865,072	\$ 280,825
Student Support Services	49,850	87,012	101,733	14,721
Instructional Support Staff	41,735	72,846	73,626	780
General Administration	35,209	61,456	61,912	456
School Administration	134,081	234,034	225,539	(8,495)
Other Supplemental Services	50,191	89,034	67,568	(21,466)
Operations & Maintenance	124,523	217,350	164,562	(52,788)
Student Transportation Services	57,408	98,775	86,267	(12,508)
Food Service Operation	38,903	67,904	60,045	(7,859)
	<u>1,439,534</u>	<u>2,512,658</u>	<u>\$ 2,706,324</u>	<u>\$ 193,666</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	\$ 0	\$ 0		

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES -**  
**ACTUAL AND BUDGET**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Bond and Interest Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 6,386,501	\$ 6,633,169	\$ 409,300	\$ 6,223,869
County Sources	640,185	718,325	1,035,176	(316,851)
State Sources	2,178,889	2,712,277	4,462,137	(1,749,860)
	<u>9,205,575</u>	<u>10,063,771</u>	<u>\$ 5,906,613</u>	<u>\$ 4,157,158</u>
Expenditures				
Debt Service	<u>8,070,629</u>	<u>9,040,455</u>	<u>\$ 9,040,455</u>	<u>\$ 0</u>
	<u>8,070,629</u>	<u>9,040,455</u>	<u>\$ 9,040,455</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	1,134,946	1,023,316		
Unencumbered Cash, Beginning	4,482,571	5,617,517		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 5,617,517</u>	<u>\$ 6,640,833</u>		



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

<u>Federal Funds</u>	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 584,940	\$ 271,284
	<u>584,940</u>	<u>271,284</u>
Expenditures		
Instruction	457,907	239,479
Student Support Services	5,556	28,622
Instructional Support Staff	89,916	1,301
Other Support Services	39,713	0
	<u>593,092</u>	<u>269,402</u>
Receipts Over (Under) Expenditures	(8,152)	1,882
Unencumbered Cash, Beginning	9,973	1,821
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 1,821</u>	<u>\$ 3,703</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 292,983	\$ 238,765
	<u>292,983</u>	<u>238,765</u>
Expenditures		
Instruction	126,758	135,241
Student Support Services	1,208	318
Operations & Maintenance	0	169
Student Transportation Services	843	26,360
Facility Acquisition & Construction Services	160,000	0
	<u>288,809</u>	<u>162,088</u>
Receipts Over (Under) Expenditures	4,174	76,677
Unencumbered Cash, Beginning	52,103	56,277
Prior Year Canceled Encumbrances	<u>0</u>	<u>1</u>
Unencumbered Cash, Ending	<u>\$ 56,277</u>	<u>\$ 132,955</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Other Supplemental Services	0	257,437
	<u>0</u>	<u>257,437</u>
Receipts Over (Under) Expenditures	0	(257,437)
Unencumbered Cash, Beginning	814,020	814,020
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 814,020</u>	<u>\$ 556,583</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)**

Textbook Rental Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 441,510	\$ 437,229
Transfers	0	667,367
	<u>441,510</u>	<u>1,104,596</u>
 Expenditures		
Instruction	<u>424,097</u>	<u>992,058</u>
	<u>424,097</u>	<u>992,058</u>
 Receipts Over (Under) Expenditures	17,413	112,538
 Unencumbered Cash, Beginning	196,501	215,401
 Prior Year Canceled Encumbrances	<u>1,487</u>	<u>61,495</u>
 Unencumbered Cash, Ending	<u>\$ 215,401</u>	<u>\$ 389,434</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Andover High School				
Crime Stoppers	\$ 300	\$ 0	\$ 0	\$ 300
Annual	11,935	32,283	38,502	5,716
Band Boosters	17,792	7,756	21,675	3,873
Band-AHS	18,220	68,567	64,243	22,544
Band Uniforms	4,026	3,425	2,784	4,667
Debate-AHS	221	417	575	63
Desktop Publishing	1,124	4,567	2,842	2,849
Forensics	730	150	728	152
Drama-AHS	8,179	17,474	20,029	5,624
Journalism	0	29,081	28,405	676
Choir Travel	4,194	1,244	861	4,577
Madrigals	9,546	4,579	4,338	9,787
Choir Uniforms	10,316	3,398	1,755	11,959
Music Festival	8,727	14,051	18,710	4,068
Student Council	3,658	23,131	23,091	3,698
Spec Ed/Joyce Akins	732	305	400	637
AHS Stadium Bakery	5,303	17,486	18,969	3,820
ONE Stop Trojan Stop	2,799	200	0	2,999
Shop Spirit	4,117	260	(302)	4,679
Greenhouse	66	0	0	66
Class of 2010	141	0	141	0
Class of 2011	2,169	0	2,169	0
Class of 2012	6,799	2,137	8,419	517
Class of 2013	6,088	7,340	10,951	2,477
Class of 2014	2,403	2,799	885	4,317
Class of 2015	1,864	3,193	955	4,102
Class of 2016	0	1,275	0	1,275
Outdoor Club	310	0	0	310
Quill & Scroll	200	0	0	200
Kids for Kids Club	3,393	20,981	20,135	4,239
FBLA	439	25	0	464
FACS - Beef	186	0	0	186
Arts and Crafts Club	859	0	393	466
National Honor Society	1,741	1,103	716	2,128
	<u>138,577</u>	<u>267,227</u>	<u>292,369</u>	<u>113,435</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash	Cash Receipts	Cash	Ending Cash
	Balance		Disbursements	Balance
Andover High School (Continued)				
Hall of Fame Sports Club	\$ 1,227	0	0	\$ 1,227
Friends of Rachel Club	0	254	0	254
EMS Club	66	0	(150)	216
Fishing Club	832	0	150	682
Science Olympiad	1,563	0	0	1,563
Booster Club New Sign	0	235	235	0
Cheerleaders	3,676	26,946	27,386	3,236
Trojanettes	980	16,572	14,448	3,104
Sales Tax	0	20,797	20,491	306
	8,344	64,804	62,560	10,588

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Andover Central High School				
Cheerleaders	\$ 3,332	\$ 17,608	\$ 16,028	\$ 4,912
Dance Team	702	6,430	5,387	1,745
General Activities	0	1,868	50	1,818
Band	14,136	17,435	20,950	10,621
Band Cleaning	0	3,175	2,212	963
Broadcasting	944	0	0	944
Debate	1,043	2,919	3,176	786
School Publications	1,433	4,065	3,072	2,426
Drama	16,421	5,059	8,566	12,914
Drama Plays	0	1,401	0	1,401
Forensics	0	959	959	0
Newspaper	2,082	7,041	8,935	188
Music Festival	0	6,038	3,824	2,214
New Generation-				
Madrigals	4,975	57,144	57,864	4,255
Choir Cleaning	0	2,543	25	2,518
Newspaper Postage	17	120	0	137
Scholar's Bowl	783	540	400	923
Shakespeare	38	0	0	38
StuCo	1,984	8,105	9,640	449
Yearbook	6,560	29,869	31,151	5,278
Key Club	752	37	261	528
20 Minute Munchies	10	0	0	10
Art Club	265	200	219	246
FBLA-Future Business				
Leaders	188	10,704	10,504	388
FCS	109	0	0	109
French Club	56	(56)	0	0
Greenhouse	460	0	29	431
Kansas BEST	126	0	0	126
Kids 4 Kids	462	311	304	469
National Honor Society	352	4,807	5,249	(90)
Photo Club	39	0	0	39
SADD	62	0	0	62
Science Olympiad	345	0	0	345
Spanish Club	33	0	0	33
Culture Club	56	0	35	21
Project Graduation	1,112	9,968	9,944	1,136
	<u>58,877</u>	<u>198,290</u>	<u>198,784</u>	<u>58,383</u>



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Andover Central High School (Continued)				
Class of 2012	\$ 906	1,210	1,602	\$ 514
Class of 2013	9,749	2,934	7,143	5,540
Class of 2014	6,350	1,860	20	8,190
Class of 2015	5,295	1,871	70	7,096
Class of 2016	0	3,990	0	3,990
Jaguar Assistance Group	939	0	100	839
Sales Tax	0	16,453	16,453	0
	<u>23,239</u>	<u>28,318</u>	<u>25,388</u>	<u>26,169</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements		Balance
Andover Middle School					
Cheerleaders	\$ (1)	\$ 4,533	\$ 3,025	\$	1,507
Student Council	1,360	5,026	5,131		1,255
Choir	1,150	5,027	5,986		191
Math Club	292	400	302		390
Math Moves U MS Grant	3,882	1,123	1,424		3,581
Scholar Bowl	1,441	600	89		1,952
Science Wish List	94	477	571		0
FACS	360	1,060	1,318		102
Sewing Club	(58)	85	0		27
Newspaper	722	207	929		0
Band	2,056	11,099	9,658		3,497
Teaching Teams	1,873	4,761	4,086		2,548
Students Class	3,209	1,814	1,320		3,703
Sales Tax	0	4,993	4,993		0
	<u>16,380</u>	<u>41,205</u>	<u>38,832</u>		<u>18,753</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements		Balance
Andover Central Middle School					
Cheerleaders	\$ 359	\$ 540	\$ 525	\$	374
Student Council	3,267	2,589	1,787		4,069
Math Relay Team	1	0	0		1
Scholar Bowl	48	0	0		48
Science Olympiad	902	790	1,225		467
Web Leaders	196	0	196		0
Yearbook Sales	71	13,831	12,885		1,017
Media Arts	0	0	0		0
Choir	109	0	100		9
Band	21	100	0		121
Interest	89	0	0		89
Sales Tax	0	4,206	4,206		0
	<u>5,063</u>	<u>22,056</u>	<u>20,924</u>		<u>6,195</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Meadowlark Elementary				
Student Activity Fund	\$ 2,411	\$ 10,682	\$ 12,639	\$ 454
Field Trips	188	1,175	1,363	0
Lego Club Donation	20	0	0	20
	<u>2,619</u>	<u>11,857</u>	<u>14,002</u>	<u>474</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Cottonwood Elementary				
Student Activity Fund	\$ 592	\$ 1,820	\$ 752	\$ 1,660
2nd Grade Popcorn Acct	491	364	81	774
Cottonwood Yearbook	4,772	3,187	6,682	1,277
Field Trips	0	2,627	2,627	0
	<u>5,855</u>	<u>7,998</u>	<u>10,142</u>	<u>3,711</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Robert Martin Elementary				
Library Book Club	\$ 47	\$ 440	\$ 0	\$ 487
Target	828	1,228	122	1,934
Miscellaneous	30	0	0	30
Student Council	711	0	711	0
American Heart Association	0	531	531	0
2nd Grade Popcorn Fundraiser	298	117	0	415
	<u>1,914</u>	<u>2,316</u>	<u>1,364</u>	<u>2,866</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements	Balance	
Sunflower Elementary					
Student Council	\$ 1,184	\$ 683	\$ 441	\$ 1,426	
Yearbook	3,617	5,069	4,605	4,081	
5th Grade Projects	249	600	532	317	
5th Grade Recognition	71	395	0	466	
2nd Grade Popcorn Unit	426	555	680	301	
Kindergarten Film					
Development	0	698	678	20	
Music	224	1,794	1,841	177	
SAMS Award-Stonehocker	43	0	0	43	
PTO Assistance Fund	0	500	13	487	
3rd Grade Carnival	0	770	770	0	
	<u>5,814</u>	<u>11,064</u>	<u>9,560</u>	<u>7,318</u>	



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Prairie Creek Elementary				
Student Activity Fund	\$ 2,484	\$ 12,598	\$ 12,494	\$ 2,588
Yearbook	2,312	3,036	5,585	(237)
Sales Tax	(58)	0	272	(330)
	<u>4,738</u>	<u>15,634</u>	<u>18,351</u>	<u>2,021</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Wheatland Elementary				
Music	\$ 535	\$ 524	\$ 108	\$ 951
STUCO	165	0	17	148
	<u>700</u>	<u>524</u>	<u>125</u>	<u>1,099</u>

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements	Balance	
Andover Ecademy					
Curriculum Sales	\$ 0	\$ 691	\$ 36	\$ 655	
Yearbook	0	435	37	398	
	<u>0</u>	<u>1,126</u>	<u>73</u>	<u>1,053</u>	

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements		Balance
District					
Memorials	\$ 683	\$ 0	\$ 0	\$	683
Scholarships	40,327	1,344	4,138		37,533
Piano Music Festival	1,381	1,565	2,144		802
Miscellaneous	0	431	431		0
Sales Tax	0	50,104	49,542		562
	<u>42,391</u>	<u>53,444</u>	<u>56,255</u>		<u>39,580</u>
Total Agency Funds	<u>\$ 314,511</u>	<u>\$ 724,737</u>	<u>\$ 748,656</u>	<u>\$</u>	<u>290,592</u>

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2012

Fund	Beginning		Prior Year		Cash Receipts	Expenditures	Ending		Add	
	Unencumbered	Cash Balance	Canceled	Encumbrances			Unencumbered	Cash Balance	Encumbrances	and Accounts Payable
Andover High School										
Athletics	\$	46,078	\$	0	\$	105,176	\$	25,390	\$	25,390
District Concessions		3,432		0		25,348		1,000		1,000
ACHS Concessions		0		0		4,808		0		0
Baseball		9,851		0		8,713		12,821		12,821
Baseball Coaches		3,665		0		4,652		5,937		5,937
Boys Soccer		359		0		993		1,159		1,159
Girls Soccer		724		0		1,160		1,164		1,164
Wrestling		3,447		0		3,963		5,464		5,464
Track		1,007		0		289		1,044		1,044
Wrestling Coaches		500		0		0		325		325
Volleyball		100		0		0		100		100
Boys Golf		1,480		0		636		901		901
Girls Golf		36		0		194		25		25
Cross Country		773		0		1,737		1,460		1,460
Softball		802		0		4,852		1,477		1,477
Softball Coaches		54		0		0		54		54
Concessions		0		0		9,666		0		0
Bowling		74		0		1,332		131		131
Girls Tennis		7		0		1,903		0		0
Boys Tennis		112		0		1,194		134		134
Athletic Training		141		0		2,327		334		334
Boys Basketball		510		0		8,632		242		242
Boys Basketball Coaches		804		0		1,346		1,003		1,003
Girls Basketball Coaches		143		0		2,463		158		158
Football		2,327		0		16,088		1,151		1,151
Girls Swim		329		0		3,894		188		188
		<u>76,755</u>		<u>0</u>		<u>211,366</u>		<u>61,662</u>		<u>61,662</u>

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2012

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Add		
					Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Andover High School (Continued)							
LINK Crew	\$ 0	\$ 0	\$ 0	(714)	\$ 714	\$ 0	714
Educational Services	4,633	0	4,111	2,256	6,488	0	6,488
Student Obligations	309	0	1,426	1,312	423	0	423
Library	4,773	0	4,452	5,342	3,883	0	3,883
Lifetouch Senior Sitting Fee	106	0	1,960	1,960	106	0	106
Testing	4,636	0	8,833	8,849	4,620	0	4,620
Vending Machines	25,904	0	3,727	22,925	6,706	0	6,706
After Prom	1,142	0	11,583	10,335	2,390	0	2,390
Student Planners	105	0	4,828	4,926	7	0	7
Scholarships	3,530	0	0	1,900	1,630	0	1,630
Memorials	1,035	0	0	0	1,035	0	1,035
Insufficient Funds	(2,728)	0	195	(2,533)	0	0	0
	<u>43,445</u>	<u>0</u>	<u>41,115</u>	<u>56,558</u>	<u>28,002</u>	<u>0</u>	<u>28,002</u>

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2012

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Add		
					Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Andover Central High School							
Athletics	\$ 30,164	\$ 0	\$ 11,732	\$ 34,878	\$ 7,018	\$ 0	\$ 7,018
Athletic Gate/Officials	0	0	75,502	33,314	42,188	0	42,188
Student Activities	636	0	0	208	428	0	428
Girls' Basketball	458	0	1,839	2,208	89	0	89
Baseball	818	0	8,136	6,959	1,995	0	1,995
Boy's Basketball	920	0	3,386	2,711	1,595	0	1,595
Bowling	263	0	931	891	303	0	303
Concessions	1,001	0	12,544	12,318	1,227	0	1,227
District Concessions	(1)	0	1	0	0	0	0
Cross Country	101	0	150	123	128	0	128
Football	3,124	0	3,490	5,839	775	0	775
Golf-Boys	137	0	1,606	1,138	605	0	605
Golf-Girls	394	0	722	528	588	0	588
Soccer-Boys	306	0	7,509	6,379	1,436	0	1,436
Soccer-Girls	783	0	2,427	2,305	905	0	905
Softball	3,567	0	2,507	2,938	3,136	0	3,136
Tennis-Girls	141	0	824	808	157	0	157
Track	85	0	0	0	85	0	85
Training Room	1,367	0	1,190	2,557	0	0	0
Volleyball	2,037	0	(200)	507	1,330	0	1,330
Wrestling	290	0	5,471	4,805	956	0	956
Wrestling-State	(1)	0	0	(1)	0	0	0
Non-Student Activities	654	0	2,750	1,320	2,084	0	2,084
Educational Services	5	0	1,928	699	1,234	0	1,234
Lifetouch	75	0	1,715	1,780	10	0	10
Library	3,829	0	1,037	494	4,372	0	4,372
Math-Calculators	123	0	0	0	123	0	123
	<u>51,276</u>	<u>0</u>	<u>147,197</u>	<u>125,706</u>	<u>72,767</u>	<u>0</u>	<u>72,767</u>



ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
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	Ending Cash Balance
Andover Central High School (Continued)							
Brick & Stone Student Recognition	\$ 972	0	35	\$ 35	\$ 972	0	\$ 972
Wall of Fame Plaques	198	0	0	0	198	0	198
Planners	0	0	2,792	2,783	9	0	9
"Robe the Faculty"	25	0	0	0	25	0	25
Science Goggles	277	0	0	0	277	0	277
Testing	4,133	0	7,191	6,655	4,669	0	4,669
Transportation - School Sponsored	287	0	54	0	341	0	341
Transportation - Student Paid	0	0	18	0	18	0	18
Vending Machines	2,597	0	4,003	1,579	5,021	0	5,021
Pepsi Guarantee	15,294	0	(1,627)	1,166	12,501	0	12,501
Scholarships/Memorials	779	0	0	0	779	0	779
Scholarships - Billy Means Fund	25,002	0	385	500	24,887	0	24,887
Scholarships	2,650	0	0	0	2,650	0	2,650
	52,214	0	12,851	12,718	52,347	0	52,347

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2012

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Add		
					Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Andover Middle School	\$ 20,318	\$ 0	\$ 11,576	\$ 16,587	\$ 15,307	\$ 0	\$ 15,307
Athletics	0	0	788	788	0	0	0
Volleyball	11	0	645	656	0	0	0
Cross Country	0	0	492	492	0	0	0
Football	3,077	0	1,811	727	4,161	0	4,161
Football Fundraising	68	0	1,745	1,813	0	0	0
Girls Tennis	31	0	1,124	1,155	0	0	0
Boys Tennis	146	0	3,578	3,724	0	0	0
Girls BB	6	0	864	870	0	0	0
Boys BB	95	0	1,337	777	655	0	655
Wrestling	192	0	4,582	4,774	0	0	0
Track	0	0	13,260	13,260	0	0	0
Gate/Passes	0	0	1,170	1,170	0	0	0
Open	517	0	4,834	4,818	533	0	533
Concessions	3,006	0	6,419	4,180	5,245	0	5,245
PE Teachers	0	0	250	250	0	0	0
Mentoring Program	0	0	98	15	83	0	83
Art Supplies	23,254	0	4,448	9,553	18,149	0	18,149
Middle School	302	0	108	0	410	0	410
Trojan Booster Club Donation	1,100	0	1,100	2,200	0	0	0
Incoming 6th Graders	0	0	17,120	17,120	0	0	0
Yearbook	1	0	1,801	724	1,078	0	1,078
Student Agendas	0	0	15,319	15,319	0	0	0
Fundraiser-Entertainment Books	0	0	138	138	0	0	0
Kansas Scholarship Contest	3,580	0	1,184	2,479	2,285	0	2,285
Library	0	0	302	108	194	0	194
Web Leader	197	0	302	191	308	0	308
Pencil/Pen Machine	0	0	4,150	4,150	0	0	0
8th Grade Promotion	0	0	6,826	6,826	0	0	0
Magazine Fundraiser	20	0	8,636	8,111	545	0	545
Fundraisers	732	0	5,289	6,021	0	0	0
Physical Education Uniforms	0	0	0	0	0	0	0
Interest	56,653	0	121,296	128,996	48,953	0	48,953

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**DISTRICT ACTIVITY FUNDS**  
**STATEMENT OF CASH RECEIPTS, EXPENDITURES,**  
**AND UNENCUMBERED CASH**  
**REGULATORY BASIS**  
**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	Ending Cash Balance
Andover Central Middle School							
Athletics	\$ 5,588	\$ 0	\$ 19,330	\$ 21,054	\$ 3,864	\$ 0	\$ 3,864
A Passes/Gate/Officials	0	0	15,264	6,635	8,629	0	8,629
Concessions	1,421	0	9,179	8,061	2,539	0	2,539
Football	0	0	0	(4,165)	4,165	0	4,165
Girls Basketball	0	0	0	(415)	415	0	415
Middle School	3,557	0	8,039	11,203	393	0	393
Library Birthday Club	62	0	0	0	62	0	62
Fundraiser	212	0	0	100	112	0	112
Agenda Books	380	0	600	380	600	0	600
Media Center	4,521	0	1,129	366	5,284	0	5,284
Transportation Fee	0	0	91	0	91	0	91
PE Uniforms	4,840	0	3,861	5,868	2,833	0	2,833
8th Celebration	0	0	9,420	9,420	0	0	0
Veterans Day Assembly	0	0	500	(320)	820	0	820
Lost/Damaged Books	1,970	0	(275)	0	1,695	0	1,695
Locker Fees	0	0	366	3	363	0	363
Insufficient Funds	(368)	0	18	0	(350)	0	(350)
	<u>22,183</u>	<u>0</u>	<u>67,522</u>	<u>58,190</u>	<u>31,515</u>	<u>0</u>	<u>31,515</u>

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2012

Fund	Beginning Unencumbered Cash Balance	Prior Year		Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add		Ending Cash Balance
		Encumbrances	Canceled				Outstanding Encumbrances	and Accounts Payable	
Meadowlark Elementary	\$	703	\$	0	\$	1,594	\$	0	\$
Community Projects		32		0		32		0	1,050
P.E.		1		0		1		0	0
Reimbursement		435		0		0		0	0
Art		103		0		0		0	435
Library		502		0		0		0	103
Music		507		283		0		0	785
General		2,729		0		25		0	482
Field Trips		714		3,500		4,021		0	2,208
Library Book Fair		609		217		218		0	713
Lost/Damaged Library Books		43		297		6		0	900
Interest		(11)		0		43		0	0
Check Orders		2,514		0		(11)		0	0
Picture Commission		876		1,139		1,502		0	2,151
Yearbook		0		0		0		0	876
NSF PTO Grants		22		506		506		0	0
MES PTO Grants				3,364		3,163		0	223
		9,779		11,247		11,100		0	9,926

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
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	Ending Cash Balance
Cottonwood Elementary							
PTO Gifts to Teachers	\$ 684	\$ 0	\$ 9,430	\$ 9,971	\$ 143	\$ 0	\$ 143
Kids In Need	739	0	921	1,261	399	0	399
Cottonwood Choir	297	0	2,428	2,121	604	0	604
Library Book Fair	5,086	0	1,059	2,527	3,618	0	3,618
Lost/Damaged Library Books	2,755	0	385	663	2,477	0	2,477
NSF Checks	(35)	0	0	30	(65)	0	(65)
	<u>9,526</u>	<u>0</u>	<u>14,223</u>	<u>16,573</u>	<u>7,176</u>	<u>0</u>	<u>7,176</u>

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
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	Ending Cash Balance
Robert Martin Elementary							
Library	\$ 1,221	\$ 0	\$ 200	\$ 761	\$ 660	\$ 0	\$ 660
Library Fines	339	0	135	286	188	0	188
Textbook Fines	87	0	0	0	87	0	87
Pictures	788	0	137	33	892	0	892
Music Program	98	0	236	330	4	0	4
Staff	1	0	0	1	0	0	0
Pepsi	153	0	314	107	360	0	360
Donations	3,610	0	13,817	14,386	3,041	0	3,041
	6,297	0	14,839	15,904	5,232	0	5,232

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
DISTRICT ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
AND UNENCUMBERED CASH  
REGULATORY BASIS  
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	Ending Cash Balance
Sunflower Elementary							
Book Fair	\$ 3,824	\$ 0	\$ 0	\$ 0	\$ 3,824	\$ 0	\$ 3,824
CAAMP Activities	1,837	0	2,185	2,034	1,988	0	1,988
Student Activity	3,731	0	1,879	816	4,794	0	4,794
Field Trips	1,216	0	0	1,216	0	0	0
Cup Stacking	1	0	0	0	1	0	1
Library Book Fair	5,178	0	2,491	1,001	6,668	0	6,668
Library Lost Book Fund	858	0	163	56	965	0	965
	<u>16,645</u>	<u>0</u>	<u>6,718</u>	<u>5,123</u>	<u>18,240</u>	<u>0</u>	<u>18,240</u>

ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
 DISTRICT ACTIVITY FUNDS  
 STATEMENT OF CASH RECEIPTS, EXPENDITURES,  
 AND UNENCUMBERED CASH  
 REGULATORY BASIS  
 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	Ending Cash Balance
Prairie Creek Elementary							
Music	\$ 216	\$ 0	557	788	\$ (15)	0	\$ (15)
F & R Donations	0	0	243	0	243	0	243
Library Book Fair	2,106	0	1,115	871	2,350	0	2,350
Lost/Damaged Library Books	664	0	199	46	817	0	817
NSF	(142)	0	0	0	(142)	0	(142)
Interest	10	0	0	0	10	0	10
	<u>2,854</u>	<u>0</u>	<u>2,114</u>	<u>1,705</u>	<u>3,263</u>	<u>0</u>	<u>3,263</u>



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**DISTRICT ACTIVITY FUNDS**  
**STATEMENT OF CASH RECEIPTS, EXPENDITURES,**  
**AND UNENCUMBERED CASH**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled		Cash Receipts	Expenditures	Unencumbered Cash Balance	Add		Ending Cash Balance
		Encumbrances	Encumbrances				Outstanding Encumbrances and Accounts Payable	Encumbrances and Accounts Payable	
Wheatland Elementary									
Library Book Fair	\$ 64	\$ 0	\$ 0	1,953	1,868	\$ 149	\$ 0	\$ 0	149
Student Activity	6,971	0	0	12,349	13,436	5,884	0	0	5,884
WES PTO Donations	270	0	0	25	42	253	0	0	253
Library Birthday Book Club	84	0	0	1,280	1,288	76	0	0	76
Library Lost Book Fund	141	0	0	296	0	437	0	0	437
	<u>7,530</u>	<u>0</u>	<u>0</u>	<u>15,903</u>	<u>16,634</u>	<u>6,799</u>	<u>0</u>	<u>0</u>	<u>6,799</u>
Total District Activity Funds	\$ 355,157	\$ 0	\$ 0	\$ 666,391	\$ 675,666	\$ 345,882	\$ 0	\$ 0	\$ 345,882

## **FEDERAL AWARD INFORMATION**



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# BUSBY FORD & REIMER, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

**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**

**Board of Education  
Andover Unified School District No. 385  
Andover, Kansas**

We have audited the financial statement of **Andover Unified School District No. 385, Andover, Kansas**, as of and for the year ended **June 30, 2012**, and have issued our report thereon dated December 20, 2012. In our report, our opinion on the financial statement was unqualified based on the prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 **Andover Unified School District No. 385, Andover, Kansas**, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered **Andover Unified School District No. 385, Andover, Kansas'** 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 **Andover Unified School District No. 385, Andover, Kansas'** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **Andover Unified School District No. 385, Andover, Kansas'** internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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.

**Board of Education  
Andover Unified School District No. 385**

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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Andover Unified School District No. 385, Andover, Kansas'** 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*.

We noted certain matters that we reported to management of **Andover Unified School District No. 385, Andover, Kansas**, in a separate letter dated December 20, 2012.

This report is intended solely for the information and use of the Board of Education and management of **Andover Unified School District No. 385, Andover, Kansas**, and for filing with the Kansas Department of Administration, Office of Management Analysis and Standards, The Kansas Department of Education, and other federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

  
Busby Ford & Reimer, LLC  
December 20, 2012



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# BUSBY FORD & REIMER, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

**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**

**Board of Education  
Andover Unified School District No. 385  
Andover, Kansas**

Compliance

We have audited **Andover Unified School District No. 385, Andover, Kansas'** compliance with the types of compliance requirements described in the *OMB Circular A-133, Compliance Supplement* that could have a direct and material effect on each of **Andover Unified School District No. 385, Andover, Kansas'** major federal programs for the year ended **June 30, 2012**. **Andover Unified School District No. 385, Andover, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **Andover Unified School District No. 385, Andover, Kansas'** management. Our responsibility is to express an opinion on **Andover Unified School District No. 385, Andover, Kansas'** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the 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 **Andover Unified School District No. 385, Andover, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of **Andover Unified School District No. 385, Andover, Kansas'** compliance with those requirements.

In our opinion, **Andover Unified School District No. 385, Andover, Kansas** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 2012**.

**Board of Education  
Andover Unified School District No. 385**

Internal Control Over Compliance

Management of **Andover Unified School District No. 385, Andover, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered **Andover Unified School District No. 385, Andover, Kansas'** internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Andover Unified School District No. 385, Andover, Kansas'** internal control over compliance.

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

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

This report is intended solely for the information and use of the Board of Education and management of **Andover Unified School District No. 385, Andover, Kansas**, and for filing with the Kansas Department of Administration, Office of Management Analysis and Standards, The Kansas Department of Education, and other federal and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

  
Busby Ford & Reimer, LLC  
December 20, 2012

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Grant Title	Federal CFDA No.	Program Amount	Unencumbered		Receipts	Expenditures	Unencumbered Cash 6-30-12
			Cash 7-1-11				
(Passes Through Kansas Department of Education)							
Department of Agriculture							
Child Nutrition Cluster-Cluster							
School Breakfast Program	10.553	\$ 40,620					
National School Lunch Program	10.555	479,017					
		519,637	\$ 0	\$ 519,637	\$ 519,637	\$ 0	0
Department of Education							
Title I, Part A Cluster-Cluster							
Title I Grants to Local Education Agencies	84.010	189,624	212	189,624	186,167	3,669	
Drug Free	84.186	(1,392)	1,539	(1,392)	147	0	
Improving Teacher Quality State Grants	84.367	72,155	72	72,155	72,227	0	
Education Jobs Fund	84.410	11,627	0	11,627	11,627	0	
		272,014	1,823	272,014	270,168	3,669	
(Passes Through South Central Kansas Education Service Center)							
Department of Education							
Carl Perkins	84.048	10,897	0	10,897	10,876	21	
(Passes Through Kansas SRS )							
Department of Health and Human Services							
Medicaid-Cluster							
Medical Assistance Program	93.778	19,596	0	19,596	19,596	0	
Total Federal Financial Assistance		\$ 822,144	\$ 1,823	\$ 822,144	\$ 820,277	\$ 3,690	

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**Note 1 - Basis of Presentation:**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Andover Unified School District No. 385, Andover, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."



**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2012**

**SUMMARY OF AUDIT RESULTS**

1. The independent auditors' report expresses an unqualified opinion on the financial statement of **Andover Unified School District No. 385, Andover, Kansas**.
2. No significant deficiencies or material weaknesses were reported in the 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*.
3. No instances of noncompliance material to the financial statement of **Andover Unified School District No. 385, Andover, Kansas**, were disclosed during the audit.
4. No significant deficiencies or material weakness were reported in the 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.
5. The independent auditors' report on compliance for the major federal award programs for **Andover Unified School District No. 385, Andover, Kansas**, expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for **Andover Unified School District No. 385, Andover, Kansas**.
7. The programs tested as major programs were:

Child Nutrition Cluster-Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. **Andover Unified School District No. 385, Andover, Kansas**, was determined not to be a low-risk auditee.

**ANDOVER UNIFIED SCHOOL DISTRICT NO. 385  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2012**

There are no prior audit findings.