

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AUGUSTA, KANSAS**

**FINANCIAL STATEMENT
JUNE 30, 2012**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Education
Augusta Unified School District No. 402
Augusta, Kansas**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Augusta Unified School District No. 402, Augusta, 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
Augusta Unified School District No. 402

As described in Note 1 of the financial statement, the financial statement is prepared by **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, 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 January 8, 2013, on our consideration of **Augusta Unified School District No. 402, Augusta, 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
Augusta Unified School District No. 402

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 6, 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
January 8, 2013

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 52	\$ 148	\$ 12,312,639	\$ 12,312,691	\$ 148	\$ 193,773	\$ 193,921
Special Purpose Funds							
Supplemental General	92,587	78	4,188,011	4,136,119	144,557	51,735	196,292
At Risk (4 Year Old)	5,900	0	56,700	61,165	1,435	96	1,531
At Risk (K-12)	75,870	0	1,233,414	1,309,284	0	18,942	18,942
Bilingual Education	0	0	13,858	13,858	0	0	0
Capital Outlay	1,824,188	8,996	757,529	530,363	2,060,350	86,566	2,146,916
Driver Training	42,281	0	30,014	21,087	51,208	67	51,275
Food Service	18,406	0	901,079	882,127	37,358	56,629	93,987
Professional Development	78,578	250	0	41,392	37,436	79	37,515
Summer School	43,456	0	0	43,456	0	0	0
Special Education	637,301	0	2,291,888	2,292,419	636,770	0	636,770
Vocational Education	77,771	40	582,239	582,278	77,772	38,959	116,731
KPERS Contribution	0	0	1,185,365	1,185,365	0	0	0
Federal Funds	0	0	420,502	420,502	0	2,120	2,120
Gifts and Grants	12,611	0	26,931	14,042	25,500	504	26,004
Contingency Reserve	800,000	0	0	71,720	728,280	0	728,280
Textbook & Student Material							
Revolving	672,107	1,341	200,933	109,127	765,254	60,773	826,027
District Activity Funds	27,337	0	74,126	74,096	27,367	0	27,367
Debt Service Funds							
Bond and Interest	1,725,871	0	3,466,614	3,759,956	1,432,529	0	1,432,529
Special Assessment	5,804	0	169	2,367	3,606	0	3,606
Capital Projects	18,011,023	233,403	1,034,619	17,933,687	1,345,358	8,034,757	9,380,115
	<u>\$ 24,151,143</u>	<u>\$ 244,256</u>	<u>\$ 28,776,630</u>	<u>\$ 45,797,101</u>	<u>\$ 7,374,928</u>	<u>\$ 8,545,000</u>	<u>\$ 15,919,928</u>
Composition of Cash:							
Checking Accounts							\$ 1,141,694
Savings Accounts							12,391,520
Certificates of Deposit							20,541
Investments							2,575,193
Agency Funds							16,128,948
							<u>(209,020)</u>
							<u>\$ 15,919,928</u>

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

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2012

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Augusta Unified School District No. 402 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Augusta, 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.

Capital Projects Fund-To account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

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.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	Gifts and Grants Fund
Contingency Reserve Fund	Textbook & Student Material Revolving Fund
District Activity Funds	

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

Note 2 - Compensated Absences:

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

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

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

The District recognizes as revenues and expenses contributions made by the State of Kansas to the Kansas Public Employees Retirement System (KPERs) on behalf of the District's employees. For the year ended June 30, 2012, the State made contributions of \$1,185,365. These contributions are recorded in the KPERs Contribution Fund as receipts and expenditures.

Note 4 - Interfund Transactions:

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

	Transfer to:							Textbook & Student Material Revolving	Total
	General	At Risk (4 Year Old)	At Risk (K-12)	Bilingual Education	Capital Outlay	Special Education	Vocational Education		
Transfer from:									
General Fund	\$ 0	\$ 56,700	\$ 1,233,414	\$ 13,858	\$ 333,327	\$ 2,151,454	\$ 566,562	\$ 0	\$ 4,355,315
Supplemental									
General Fund	0	0	0	0	0	140,434	0	80,000	220,434
Summer School	43,456	0	0	0	0	0	0	0	43,456
	<u>\$ 43,456</u>	<u>\$ 56,700</u>	<u>\$ 1,233,414</u>	<u>\$ 13,858</u>	<u>\$ 333,327</u>	<u>\$ 2,291,888</u>	<u>\$ 566,562</u>	<u>\$ 80,000</u>	<u>\$ 4,619,205</u>

Note 5 - 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.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2012

Note 6 - Deposits and Investments:

As of June 30, 2012, the District had the following investments with maturities of one year or less:

Investment Type	Fair Value	Rating
Kansas Municipal Investment Pool	\$ 2,545,106	S&P AAAF/SLT
Memorial & Scholarships-Mutual Funds	30,087	N/A
	<u>\$ 2,575,193</u>	

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 District has no other policies that would further limit interest rate risk.

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

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. 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. The District's allocation of investments as of June 30, 2012, is as follows:

Investment Type	Percentage of Investments
Kansas Municipal Investment Pool	99%
Memorial & Scholarships-Mutual Funds	1%

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District'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 \$13,553,755 and the bank balance was \$13,377,967. The bank balance is held by three banks. Of the bank balance, \$563,317 was covered by depository insurance, and the remaining \$12,990,438 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.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2012

Note 7 - Postemployment Benefits:

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

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

The District has adopted an early retirement program. Under the program, a full-time employee must be at least 57 years of age with 15 or more years with the District and 20 or more years of service credit recognized by the Kansas Public Employees Retirement System (KPERS). Benefits under the plan are calculated by the number of years service credit recognized by KPERS plus the number of years the employee was denied participation in KPERS due to part-time employment for such employee multiplied by the largest base salary received during any one of the five years immediately preceding planned retirement, multiplied by, a factor of 0.005. These benefits terminate at the end of the month in which the employee reaches the age of eligibility for being able to retire on a full social security benefit at normal social security retirement age or at death, if sooner.

It is the policy of the District to record these benefits as expenditures when paid. Total expenditures under the program for the year ended June 30, 2012, was \$116,089 for 19 former employees.

Note 8 - Defined Benefit Pension Plan:

Plan Description

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

Funding Policy

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

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2012

Note 9 - Contingencies:

Grant Programs

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

Risk Management

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

Note 10 - Capital Projects:

At year-end, capital project authorization compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
School Additions and Improvements	<u>\$50,136,994</u>	<u>\$48,791,636</u>

Note 11 - Subsequent Events:

The District has evaluated subsequent events through January 8, 2013, the date which the financial statements were available to be issued.

Note 12 - Advance Refunding of Bond Obligation:

On June 15, 2008, the District issued \$1,815,000 in General Obligation Bonds with interest rates ranging from 4.95 % to 5.25%. Of the issue, \$1,761,432 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 \$1,730,000 of the 2004 Series General Obligation Bonds. As a result, this portion of the 2004 Series Bonds is considered defeased and not included in long-term debt as of June 30, 2012.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2012

Note 13 - Long-Term Debt:

Principal payments are due annually for general obligation bonds. Interest payments are due semi-annually. Principal and interest payments on the capital lease are due quarterly.

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

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2004 Series	4.00 - 7.00	1/1/04	\$ 9,785,000	10/1/12
2008 Series A	4.00 - 5.25	6/15/08	\$ 48,000,000	9/1/33
2008 Series B	4.95 - 5.25	6/15/08	\$ 1,815,000	9/1/15
Capital Lease				
Athletic Field	4.099	5/10/11	\$ 400,439	5/12/15

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
General Obligation Bonds					
2004 Series	\$ 1,625,000	\$ 0	\$ 1,310,000	\$ 315,000	\$ 34,265
2008 Series A	48,000,000	0	0	48,000,000	2,323,036
2008 Series B	1,815,000	0	0	1,815,000	92,655
	51,440,000	0	1,310,000	50,130,000	2,449,956
Capital Lease					
Athletic Field	400,439	0	94,072	306,367	14,980
	<u>\$ 51,840,439</u>	<u>\$ 0</u>	<u>\$ 1,404,072</u>	<u>\$ 50,436,367</u>	<u>\$ 2,464,936</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2012

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 Lease	Total Principal	General Obligation Bonds	Capital Lease	Total Interest	
2013	\$ 315,000	\$ 97,987	\$ 412,987	\$ 2,421,361	\$ 11,065	\$ 2,432,426	\$ 2,845,413
2014	575,000	102,066	677,066	2,401,460	6,986	2,408,446	3,085,512
2015	605,000	106,314	711,314	2,371,801	2,737	2,374,538	3,085,852
2016	765,000	0	765,000	2,337,105	0	2,337,105	3,102,105
2017	910,000	0	910,000	2,299,637	0	2,299,637	3,209,637
2018 - 2022	7,050,000	0	7,050,000	10,645,138	0	10,645,138	17,695,138
2023 - 2027	11,880,000	0	11,880,000	8,366,981	0	8,366,981	20,246,981
2028 - 2032	14,070,000	0	14,070,000	4,866,478	0	4,866,478	18,936,478
2033	13,960,000	0	13,960,000	345,150	0	345,150	14,305,150
	<u>\$ 50,130,000</u>	<u>\$ 306,367</u>	<u>\$ 50,436,367</u>	<u>\$ 36,055,111</u>	<u>\$ 20,788</u>	<u>\$ 36,075,899</u>	<u>\$ 86,512,266</u>

Note 14 - Beginning Unencumbered 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 Reported	July State Aid Payment	Balance Restated
General Fund	\$ (1,012,155)	\$ 1,012,207	\$ 52
Supplemental General Fund	(47,790)	140,377	92,587
	<u>\$ (1,059,945)</u>	<u>\$ 1,152,584</u>	<u>\$ 92,639</u>

SUPPLEMENTARY INFORMATION

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2012

Fund	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Favorable (Unfavorable)
General Fund	\$ 12,248,320	\$ 0	\$ 64,371	\$ 12,312,691	\$ 12,312,691	\$ 0
Special Purpose Funds						
Supplemental General	4,134,016	0	2,103	4,136,119	4,136,119	0
At Risk (4 Year Old)	62,600	0	0	62,600	61,165	1,435
At Risk (K-12)	1,309,284	0	0	1,309,284	1,309,284	0
Bilingual Education	16,000	0	0	16,000	13,858	2,142
Capital Outlay	2,000,000	0	0	2,000,000	530,363	1,469,637
Driver Training	40,000	0	0	40,000	21,087	18,913
Food Service	948,317	0	0	948,317	882,127	66,190
Professional Development	78,578	0	0	78,578	41,392	37,186
Summer School	43,456	0	0	43,456	43,456	0
Special Education	2,315,272	0	0	2,315,272	2,292,419	22,853
Vocational Education	758,270	0	0	758,270	582,278	175,992
KPERS Contribution	1,196,141	0	0	1,196,141	1,185,365	10,776
Federal Funds	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	420,502	XXXXXXX
Gifts and Grants	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	14,042	XXXXXXX
Contingency Reserve	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	71,720	XXXXXXX
Textbook & Student Material						
Revolving	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	109,127	XXXXXXX
District Activity Funds	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	74,096	XXXXXXX
Debt Service Funds						
Bond and Interest	3,759,957	0	0	3,759,957	3,759,956	1
Special Assessment	5,804	0	0	5,804	2,367	3,437
Capital Projects	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	17,933,687	XXXXXXX
	\$ 28,916,015	\$ 0	\$ 66,474	\$ 28,982,489	\$ 45,797,101	\$ 1,808,562

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 1,428,848	\$ 1,464,340	\$ 1,366,473	\$ 97,867
State Sources	10,200,130	10,793,742	10,838,339	(44,597)
Federal Sources	591,024	11,101	0	11,101
Transfers	0	43,456	43,456	0
	<u>12,220,002</u>	<u>12,312,639</u>	<u>\$ 12,248,268</u>	<u>\$ 64,371</u>
Expenditures				
Instruction	3,479,665	3,097,266	\$ 3,114,608	\$ 17,342
Student Support Services	505,950	503,577	505,950	2,373
Instructional Support Staff	401,609	411,553	401,609	(9,944)
General Administration	690,013	628,890	614,989	(13,901)
School Administration	1,040,063	1,039,359	1,021,663	(17,696)
Operations & Maintenance	1,645,299	1,651,089	1,644,672	(6,417)
Student Transportation Services	333,812	344,754	301,812	(42,942)
Other Supplemental Services	263,184	280,888	260,503	(20,385)
Transfers	3,860,630	4,355,315	4,382,514	27,199
Adjustment for Qualifying Budget Credits	0	0	64,371	64,371
	<u>12,220,225</u>	<u>12,312,691</u>	<u>\$ 12,312,691</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(223)	(52)		
Unencumbered Cash, Beginning	223	52		
Prior Year Canceled Encumbrances	<u>52</u>	<u>148</u>		
Unencumbered Cash, Ending	<u>\$ 52</u>	<u>\$ 148</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 1,558,783	\$ 1,673,341	\$ 1,582,654	\$ 90,687
County Sources	213,308	219,576	246,316	(26,740)
State Sources	2,362,767	2,295,094	2,212,459	82,635
	<u>4,134,858</u>	<u>4,188,011</u>	<u>\$ 4,041,429</u>	<u>\$ 146,582</u>
Expenditures				
Instruction	3,594,491	3,704,896	\$ 3,702,173	\$ (2,723)
Student Support Services	40,914	41,970	42,000	30
Other Supplemental Services	165,525	168,819	169,409	590
Transfers	260,434	220,434	220,434	0
Adjustment for Qualifying Budget Credits	0	0	2,103	2,103
	<u>4,061,364</u>	<u>4,136,119</u>	<u>\$ 4,136,119</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	73,494	51,892		
Unencumbered Cash, Beginning	19,093	92,587		
Prior Year Canceled Encumbrances	<u>0</u>	<u>78</u>		
Unencumbered Cash, Ending	<u>\$ 92,587</u>	<u>\$ 144,557</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 (4 Year Old) Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 64,955	\$ 56,700	\$ 56,700	\$ 0
	<u>64,955</u>	<u>56,700</u>	<u>\$ 56,700</u>	<u>\$ 0</u>
Expenditures				
Instruction	56,721	60,079	\$ 60,200	\$ 121
Instruction Support Staff	<u>2,334</u>	<u>1,086</u>	<u>2,400</u>	<u>1,314</u>
	<u>59,055</u>	<u>61,165</u>	<u>\$ 62,600</u>	<u>\$ 1,435</u>
Receipts Over (Under) Expenditures	5,900	(4,465)		
Unencumbered Cash, Beginning	0	5,900		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 5,900</u>	<u>\$ 1,435</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 (K-12) Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Transfers	<u>\$ 1,232,202</u>	<u>\$ 1,233,414</u>	<u>\$ 1,233,414</u>	<u>\$ 0</u>
	<u>1,232,202</u>	<u>1,233,414</u>	<u>\$ 1,233,414</u>	<u>\$ 0</u>
Expenditures				
Instruction	<u>1,212,202</u>	<u>1,309,284</u>	<u>\$ 1,309,284</u>	<u>\$ 0</u>
	<u>1,212,202</u>	<u>1,309,284</u>	<u>\$ 1,309,284</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	20,000	(75,870)		
Unencumbered Cash, Beginning	55,870	75,870		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 75,870</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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				
Local Sources	\$ 0	\$ 0	\$ 3,000	\$ (3,000)
Transfers	<u>12,741</u>	<u>13,858</u>	<u>13,000</u>	<u>858</u>
	<u>12,741</u>	<u>13,858</u>	<u>\$ 16,000</u>	<u>\$ (2,142)</u>
Expenditures				
Instruction	<u>12,741</u>	<u>13,858</u>	<u>\$ 16,000</u>	<u>\$ 2,142</u>
	<u>12,741</u>	<u>13,858</u>	<u>\$ 16,000</u>	<u>\$ 2,142</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 - Favorable (Unfavorable)
	Prior Year			
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 379,674	\$ 343,595	\$ 363,129	\$ (19,534)
County Sources	76,983	65,774	72,016	(6,242)
Federal Sources	14,333	14,833	0	14,833
Transfers	43,644	333,327	276,952	56,375
	<u>514,634</u>	<u>757,529</u>	<u>\$ 712,097</u>	<u>\$ 45,432</u>
Expenditures				
Instruction	207,512	43,044	\$ 700,000	\$ 656,956
Student Support Services	0	0	25,000	25,000
Instructional Support Services	12,842	19,776	40,000	20,224
General Administration	0	0	25,000	25,000
School Administration	8,792	0	40,000	40,000
Central Services	0	0	45,000	45,000
Operations & Maintenance	251,133	168,878	750,000	581,122
Transportation	0	83,667	100,000	16,333
Other Support Services	49,855	0	55,000	55,000
Facility Acquisition & Construction Services	501,042	214,998	220,000	5,002
	<u>1,031,176</u>	<u>530,363</u>	<u>\$ 2,000,000</u>	<u>\$ 1,469,637</u>
Receipts Over (Under) Expenditures	(516,542)	227,166		
Unencumbered Cash, Beginning	2,340,730	1,824,188		
Prior Year Canceled Encumbrances	<u>0</u>	<u>8,996</u>		
Unencumbered Cash, Ending	<u>\$ 1,824,188</u>	<u>\$ 2,060,350</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 19,192	\$ 21,272	\$ 22,000	\$ (728)
State Sources	6,364	8,742	7,400	1,342
	<u>25,556</u>	<u>30,014</u>	<u>\$ 29,400</u>	<u>\$ 614</u>
Expenditures				
Instruction	18,232	20,358	\$ 29,000	\$ 8,642
Vehicle Operations, Maintenance Services	<u>2,564</u>	<u>729</u>	<u>11,000</u>	<u>10,271</u>
	<u>20,796</u>	<u>21,087</u>	<u>\$ 40,000</u>	<u>\$ 18,913</u>
Receipts Over (Under) Expenditures	4,760	8,927		
Unencumbered Cash, Beginning	37,521	42,281		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 42,281</u>	<u>\$ 51,208</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 -
	Prior Year			Favorable
	Actual	Actual	Budget	(Unfavorable)
Cash Receipts				
Local Sources	\$ 432,759	\$ 425,826	\$ 496,276	\$ (70,450)
State Sources	9,447	10,045	7,992	2,053
Federal Sources	411,086	465,208	425,643	39,565
	<u>853,292</u>	<u>901,079</u>	<u>\$ 929,911</u>	<u>\$ (28,832)</u>
Expenditures				
Operations & Maintenance	2,037	0	\$ 0	\$ 0
Food Service Operation	860,986	882,127	948,317	66,190
	<u>863,023</u>	<u>882,127</u>	<u>\$ 948,317</u>	<u>\$ 66,190</u>
Receipts Over (Under) Expenditures	(9,731)	18,952		
Unencumbered Cash, Beginning	28,137	18,406		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 18,406</u>	<u>\$ 37,358</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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				
Transfers	\$ 40,000	\$ 0	\$ 0	0
	<u>40,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instructional Support Staff	29,333	40,413	\$ 63,078	\$ 22,665
Other Supplemental Services	<u>9,150</u>	<u>979</u>	<u>15,500</u>	<u>14,521</u>
	<u>38,483</u>	<u>41,392</u>	<u>\$ 78,578</u>	<u>\$ 37,186</u>
Receipts Over (Under) Expenditures	1,517	(41,392)		
Unencumbered Cash, Beginning	77,061	78,578		
Prior Year Canceled Encumbrances	<u>0</u>	<u>250</u>		
Unencumbered Cash, Ending	<u>\$ 78,578</u>	<u>\$ 37,436</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 100	\$ 0	\$ 0	\$ 0
	<u>100</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Transfers	0	43,456	\$ 43,456	\$ 0
	<u>0</u>	<u>43,456</u>	<u>\$ 43,456</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	100	(43,456)		
Unencumbered Cash, Beginning	43,356	43,456		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 43,456</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	<u>\$ 2,038,534</u>	<u>\$ 2,291,888</u>	<u>\$ 2,288,060</u>	<u>\$ 3,828</u>
	<u>2,038,534</u>	<u>2,291,888</u>	<u>\$ 2,288,060</u>	<u>\$ 3,828</u>
Expenditures				
Instruction	1,891,630	2,128,859	\$ 2,124,122	\$ (4,737)
Student Transportation Services	<u>153,827</u>	<u>163,560</u>	<u>191,150</u>	<u>27,590</u>
	<u>2,045,457</u>	<u>2,292,419</u>	<u>\$ 2,315,272</u>	<u>\$ 22,853</u>
Receipts Over (Under) Expenditures	(6,923)	(531)		
Unencumbered Cash, Beginning	644,224	637,301		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 637,301</u>	<u>\$ 636,770</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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				
Local Sources	\$ 4,463	\$ 0	\$ 10,000	\$ (10,000)
Federal Sources	16,243	15,677	15,677	0
Transfers	608,988	566,562	654,822	(88,260)
	<u>629,694</u>	<u>582,239</u>	<u>\$ 680,499</u>	<u>\$ (98,260)</u>
Expenditures				
Instruction	767,378	559,337	\$ 734,294	\$ 174,957
Instructional Support Staff	23,086	22,941	23,976	1,035
	<u>790,464</u>	<u>582,278</u>	<u>\$ 758,270</u>	<u>\$ 175,992</u>
Receipts Over (Under) Expenditures	(160,770)	(39)		
Unencumbered Cash, Beginning	238,541	77,771		
Prior Year Canceled Encumbrances	<u>0</u>	<u>40</u>		
Unencumbered Cash, Ending	<u>\$ 77,771</u>	<u>\$ 77,772</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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>KPERS Contribution Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
State Sources	\$ 653,629	\$ 1,185,365	\$ 1,196,141	\$ (10,776)
	<u>653,629</u>	<u>1,185,365</u>	<u>\$ 1,196,141</u>	<u>\$ (10,776)</u>
Expenditures				
Instruction	451,626	808,955	\$ 814,281	\$ 5,326
Student Support Services	25,442	47,856	48,637	781
Instructional Support Staff	21,063	40,080	40,823	743
General Administration	20,975	40,713	41,623	910
School Administration	52,590	96,342	97,412	1,070
Other Supplemental Services	18,779	35,667	36,315	648
Operations & Maintenance	43,162	79,672	80,677	1,005
Student Transportation Services	18,257	32,436	32,595	159
Food Service Operation	1,735	3,644	3,778	134
	<u>653,629</u>	<u>1,185,365</u>	<u>\$ 1,196,141</u>	<u>\$ 10,776</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 1,697,755	\$ 1,518,803	\$ 1,433,138	\$ 85,665
County Sources	185,114	180,631	203,189	(22,558)
State Sources	1,529,945	1,767,180	1,767,180	0
	<u>3,412,814</u>	<u>3,466,614</u>	<u>\$ 3,403,507</u>	<u>\$ 63,107</u>
Expenditures				
Debt Service	<u>3,255,201</u>	<u>3,759,956</u>	<u>\$ 3,759,957</u>	<u>\$ 1</u>
	<u>3,255,201</u>	<u>3,759,956</u>	<u>\$ 3,759,957</u>	<u>\$ 1</u>
Receipts Over (Under) Expenditures	157,613	(293,342)		
Unencumbered Cash, Beginning	1,568,258	1,725,871		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,725,871</u>	<u>\$ 1,432,529</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 Assessment Fund</u>	<u>Current Year</u>			Variance - Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 87	\$ 169	\$ 0	\$ 169
	<u>87</u>	<u>169</u>	<u>0</u>	<u>169</u>
Expenditures				
Facilities Acquisition	2,436	2,367	\$ 5,804	\$ 3,437
	<u>2,436</u>	<u>2,367</u>	<u>\$ 5,804</u>	<u>\$ 3,437</u>
Receipts Over (Under) Expenditures	(2,349)	(2,198)		
Unencumbered Cash, Beginning	8,153	5,804		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 5,804</u>	<u>\$ 3,606</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 708,667	\$ 420,502
	<u>708,667</u>	<u>420,502</u>
Expenditures		
Instruction	708,667	420,502
	<u>708,667</u>	<u>420,502</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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	\$ 42,359	\$ 26,931
	<u>42,359</u>	<u>26,931</u>
Expenditures		
Instruction Support Staff	37,303	14,042
	<u>37,303</u>	<u>14,042</u>
Receipts Over (Under) Expenditures	5,056	12,889
Unencumbered Cash, Beginning	7,555	12,611
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 12,611</u>	<u>\$ 25,500</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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		
Instruction	<u>0</u>	<u>71,720</u>
	<u>0</u>	<u>71,720</u>
Receipts Over (Under) Expenditures	0	(71,720)
Unencumbered Cash, Beginning	800,000	800,000
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 800,000</u>	<u>\$ 728,280</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 & Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 123,728	\$ 120,933
Transfers	80,000	80,000
	<u>203,728</u>	<u>200,933</u>
Expenditures		
Instruction	54,178	63,654
Student Support Services	55,374	45,473
	<u>109,552</u>	<u>109,127</u>
Receipts Over (Under) Expenditures	94,176	91,806
Unencumbered Cash, Beginning	577,882	672,107
Prior Year Canceled Encumbrances	<u>49</u>	<u>1,341</u>
Unencumbered Cash, Ending	<u>\$ 672,107</u>	<u>\$ 765,254</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2012
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 1,102,375	\$ 1,034,619
	<u>1,102,375</u>	<u>1,034,619</u>
Expenditures		
Facility Acquisition & Construction	17,396,749	17,933,687
	<u>17,396,749</u>	<u>17,933,687</u>
Receipts Over (Under) Expenditures	(16,294,374)	(16,899,068)
Unencumbered Cash, Beginning	34,305,397	18,011,023
Prior Year Canceled Encumbrances	<u>0</u>	<u>233,403</u>
Unencumbered Cash, Ending	<u>\$ 18,011,023</u>	<u>\$ 1,345,358</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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
Student Organizations				
AHS General	\$ 3,070	\$ 9,062	\$ 9,964	\$ 2,168
AHS Band	3,191	139,546	135,301	7,436
Scholars Bowl	454	235	244	445
AHS Flag Corp	575	671	425	821
Forensics	899	4,421	4,422	898
AHS Library	2,704	0	0	2,704
AHS Music	27	0	0	27
Drama	3,220	5,008	3,766	4,462
Vocal Music	1,672	3,581	3,265	1,988
Varsity Athletic Club	177	0	0	177
AHS Spirit Club	502	0	0	502
AHS Art Club	4,808	0	55	4,753
AHS French Club	580	0	229	351
Family Career & Community	980	433	826	587
AHS FACS	10	0	3	7
National Honor Society	493	1,592	1,627	458
Spanish Club	2,371	952	485	2,838
Youth Entrepreneurs of KS	150	0	0	150
Oriole Store	136	0	0	136
AHS Stuco	1,683	30,107	28,194	3,596
In House Training	542	197	33	706
Advanced Placement	452	0	0	452
AHS SADD	3,927	2,636	4,090	2,473
AHS Renaissance Program	493	1,000	645	848
Skills USA VICA	4,624	6,392	6,182	4,834
Future Educators	48	63	0	111
School Newspaper	1,215	77	529	763
Yearbook	12,139	8,642	6,384	14,397
Journalism Trip	0	800	0	800
AHS Computer Fund	125	0	0	125
AHS Dance Team	309	5,855	6,164	0
Weightlifting	166	2,015	1,718	463
Class of 2004	499	0	0	499
Class of 2007	2,335	0	0	2,335
Class of 2008	2,241	0	0	2,241
Class of 2009	100	0	0	100
Class of 2010	4,859	0	0	4,859
Class of 2011	2,963	35	1,079	1,919
Class of 2012	3,225	315	28	3,512
Class of 2013	2,111	10,747	11,723	1,135
Class of 2014	467	800	6	1,261
Class of 2015	0	410	0	410
	<u>70,542</u>	<u>235,592</u>	<u>227,387</u>	<u>78,747</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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
Student Organizations (Continued)				
Max Hendrickson	\$ 145	\$ 0	\$ 0	\$ 145
Baseball Fundraiser	222	2,357	2,527	52
AHS Soccer Fundraiser	26	808	469	365
Volleyball	177	3,485	3,655	7
AHS Football Fundraiser	920	9,693	8,963	1,650
AHS Wrestling Fundraiser	1,023	3,143	3,780	386
AHS Softball Fundraiser	1,534	4,373	5,850	57
Bowling	35	1,057	855	237
Boys Golf Fundraiser	197	340	344	193
Girls Golf	0	215	213	2
Basketball Fundraiser	76	2,418	2,208	286
Girls Basketball Fundraiser	722	1,109	1,647	184
AHS Athletic Trainers	16	0	0	16
AHS Cheerleaders	1,024	15,381	13,064	3,341
AHS Summer Weight Program	1,986	1,190	1,642	1,534
AHS Powerlifting	1,431	7,720	8,581	570
AMS General	2,668	0	207	2,461
AMS				
Academics/Attitude/Attend	897	3,146	2,994	1,049
AMS Band	1,362	11,824	7,135	6,051
AMS Library	792	1,114	1,321	585
AMS National Jr. Honor Society	256	506	306	456
AMS Vocal Music	1,915	260	947	1,228
AMS Yearbook	2,954	3,867	1,956	4,865
AMS Builders Club	711	27	179	559
AMS 6th Grade Fundraising	493	8,260	8,573	180
AMS Graphics	0	214	0	214
AMS Stuco	5,405	7,360	6,432	6,333
AMS 7th Grade Science	326	200	52	474
AMS EMH Class	225	0	0	225
Physical Ed. Activity	129	3,475	3,361	243
AMS SADD	461	0	0	461
AMS Cheerleaders	1,455	4,948	3,810	2,593
AMS Boys Basketball	50	0	0	50
Ewalt General	310	3,096	3,127	279
Wal Mart Foundation	57	0	57	0
Texaco Grant	84	0	84	0
Ewalt Library	449	344	169	624
Ewalt Yearbook	1,117	2,732	2,745	1,104
Ewalt Landscaping Fund	152	0	152	0
Ewalt Student Council	716	1,849	1,567	998
Ewalt Vocal Music	41	0	41	0
	<u>32,559</u>	<u>106,511</u>	<u>99,013</u>	<u>40,057</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 Disbursement s	Ending Cash Balance
Student Organizations (Continued)				
Garfield General	\$ 2,647	\$ 929	\$ 3,540	\$ 36
Garfield Early Childhood	8	0	0	8
Garfield Library	4,150	442	427	4,165
Garfield Stuco	112	173	0	285
Garfield Owl's	7	0	0	7
Garfield Vocal Music	84	0	0	84
Lincoln General	1,990	3,862	2,679	3,173
Lincoln Library	381	142	81	442
Robinson General	115	2,899	2,469	545
Robinson Library	3,605	2,037	2,547	3,095
Meet the Author	2,986	1,691	1,406	3,271
	<u>16,085</u>	<u>12,175</u>	<u>13,149</u>	<u>15,111</u>
Memorials & Scholarships				
May Gruver Scholarship	14,139	598	506	14,231
Vada-Vida Scholarship	17,330	471	540	17,261
Ewalt Scholarship	14,946	1,063	1,424	14,585
Rodney Wheeler Scholarship	6,220	1,027	1,000	6,247
J.C. Hutter Scholarship	11,225	37	629	10,633
Jacque Hoefgen Grant	8,336	365	1,766	6,935
Leslie Tharp Spanish Club Scholarship	1,829	5	500	1,334
Tyler Janzen Memorial Scholarship	1,271	128	500	899
Jeanette McDaniel Scholarship	2,306	141	49	2,398
Ron Baugher	1,299	557	1,302	554
	<u>78,901</u>	<u>4,392</u>	<u>8,216</u>	<u>75,077</u>
Other				
Sales Tax	55	16,822	16,849	28
	<u>55</u>	<u>16,822</u>	<u>16,849</u>	<u>28</u>
Other Agency Funds				
Sec 125 Flex Spending Acct.	12,801	31,902	44,703	0
	<u>12,801</u>	<u>31,902</u>	<u>44,703</u>	<u>0</u>
Total Agency Funds	<u>\$ 210,943</u>	<u>\$ 407,394</u>	<u>\$ 409,317</u>	<u>\$ 209,020</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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
Gate Receipts							
Augusta High School	\$ 17,116	\$ 0	\$ 59,044	\$ 60,405	\$ 15,755	\$ 0	\$ 15,755
Augusta High School Special	6,200	0	4,145	3,822	6,523	0	6,523
Augusta Middle School	4,021	0	10,937	9,869	5,089	0	5,089
Total District Activity Funds	\$ 27,337	\$ 0	\$ 74,126	\$ 74,096	\$ 27,367	\$ 0	\$ 27,367

FEDERAL AWARD INFORMATION



BUSBY FORD & REIMER, LLC

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
Augusta Unified School District No. 402
Augusta, Kansas**

We have audited the financial statement of **Augusta Unified School District No. 402, Augusta, Kansas**, as of and for the year ended **June 30, 2012**, and have issued our report thereon dated January 8, 2013. 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 **Augusta Unified School District No. 402, Augusta, Kansas**, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **Augusta Unified School District No. 402, Augusta, 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
Augusta Unified School District No. 402**

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 **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, Kansas**, in a separate letter dated January 8, 2013.

This report is intended solely for the information and use of the Board of Education and management of **Augusta Unified School District No. 402, Augusta, 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
January 8, 2013



BUSBY FORD & REIMER, LLC

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
Augusta Unified School District No. 402
Augusta, Kansas**

Compliance

We have audited **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, Kansas'** major federal programs for the year ended **June 30, 2012**. **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, Kansas'** management. Our responsibility is to express an opinion on **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, Kansas'** compliance with those requirements.

In our opinion, **Augusta Unified School District No. 402, Augusta, 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
Augusta Unified School District No. 402**

Internal Control Over Compliance

Management of **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, 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
January 8, 2013

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Grant Title	Federal CFDA No.	Program Amount	Unencumbered Cash 7-1-11	Receipts	Expenditures	Unencumbered Cash 6-30-12
Department of Education						
Fund for the Improvement of Education	84.215	\$ 250,000	\$ 0	\$ 14,582	\$ 14,582	\$ 0
(Passes Through Kansas Department of Education)						
Department of Agriculture						
Child Nutrition Cluster-Cluster		79,248				
School Breakfast Program	10.553	385,960				
National School Lunch Program	10.555	465,208	0	465,208	465,208	0
Department of Education						
Title I Grants to Local Educational Agencies	84.010	291,241	0	291,241	291,241	0
Career and Technical Education-Basic Grants to States	84.048	15,677	0	15,677	15,677	0
Safe and Drug-Free Schools and Communities State Grants	84.186	4,660	0	4,660	4,660	0
Improving Teacher Quality State Grants	84.367	99,019	0	99,019	99,019	0
ARRA-Title I Grants to Local Educational Agencies, Recovery Act	84.389	11,000	0	11,000	11,000	0
Education Jobs Fund	84.410	5,496	0	5,496	5,496	0
		427,093	0	427,093	427,093	0
(Passes Through Kansas SRS)						
Department of Health and Human Services						
Medicaid Cluster-Cluster						
Medical Assistance Program	93.778	20,438	0	20,438	20,438	0
(Passes Through Kansas Department of Emergency Management)						
Department of Homeland Security						
Hazard Mitigation Grant	97.039	1,034,619	0	1,034,619	1,034,619	0
Total Federal Awards		\$ 2,197,358	\$ 0	\$ 1,961,940	\$ 1,961,940	\$ 0

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 **Augusta Unified School District No. 402, Augusta, 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."

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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 **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, 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 **Augusta Unified School District No. 402, Augusta, Kansas**, expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for **Augusta Unified School District No. 402, Augusta, Kansas**.
7. The programs tested as major programs were:

Child Nutrition Cluster-Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Hazard Mitigation Grant	97.039
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. **Augusta Unified School District No. 402, Augusta, Kansas**, was determined not to be a low-risk auditee.

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

There are no prior audit findings.