

**UNIFIED SCHOOL DISTRICT NO. 428
GREAT BEND, KANSAS**

Financial Statements With Independent Auditors' Report

For the Year Ended June 30, 2012

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Financial Statements With Independent Auditors' Report
For the Year Ended June 30, 2012

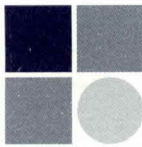
TABLE OF CONTENTS

Independent Auditors' Report	1
Statement 1 - Summary of Cash Receipts, Expenditures and Unencumbered Cash	3
Statement 2 - Summary of Expenditures - Actual and Budget	5
Statement 3 - Statement of Cash Receipts and Expenditures - Actual and Budget Individually Presented by Fund	
Governmental Fund Categories	
General Funds	
3-1 General Fund	6
3-2 Supplemental General Fund	7
Special Revenue Funds	
3-3 4 Year Old At Risk Fund.....	8
3-4 K-12 At Risk Fund	9
3-5 Bilingual Education Fund	10
3-6 Capital Outlay Fund.....	11
3-7 Driver Training Fund.....	12
3-8 Food Service Fund	13
3-9 Professional Development Fund	14
3-10 Parent Education Fund	15
3-11 Summer School Fund	16
3-12 Special Education Fund	17
3-13 Vocational Education Fund	18
3-14 Contingency Reserve Fund	19
3-15 Textbook and Student Material Fund	20
3-16 Coop Special Education Fund	21
3-17 Parent Teacher Resource Room Fund	22
3-18 KPERS Retirement Contributions Fund	23
3-19 Title I, Part A Improving the Academic Achievement of Disadvantaged, 2011 Carryover Fund	24
3-20 Title I, Part A Improving the Academic Achievement of Disadvantaged Fund	25
3-21 Title I, Part A Improving the Academic Achievement of Disadvantaged ARRA Fund	26
3-22 Title I, Part C Migrant Education, 2011 Carryover Fund	27
3-23 Title I, Part C Migrant Education Fund.....	28
3-24 Title II, Part A Teacher Quality, 2011 Carryover Fund.....	29
3-25 Title II, Part A Teacher Quality Fund.....	30
3-26 Title II, Part D Education Technology Fund.....	31
3-27 Title III, Part A English Language Acquisition Fund	32
3-28 Title VI-B, 2011 Carryover Fund	33
3-29 Title VI-B Fund	34
3-30 Title VI-B ARRA Fund	35

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Financial Statements With Independent Auditors' Report
For the Year Ended June 30, 2012

TABLE OF CONTENTS (continued)

Special Revenue Funds (continued)	
3-31 Early Childhood, 2011 Carryover Fund	36
3-32 Early Childhood Fund	37
3-33 Early Childhood ARRA Fund	38
3-34 Carl Perkins Fund	39
3-35 Education Foundation Grant Fund	40
3-36 Targeted Improvement Plan Fund	41
3-37 21 st Century Supplemental 2011-2012 Fund	42
3-38 21 st Century Learning Center 2012 Fund	43
Debt Service Funds	
3-39 Bond and Interest Fund	44
3-40 Advanced Refunding Bond Fund	45
Proprietary Fund Category	
Internal Service Fund	
3-41 Special Reserve Fund	46
Statement 4 - Summary of Cash Receipts and Cash Disbursements	
Agency Funds	47
Statement 5 - Summary of Cash Receipts, Expenditures and Unencumbered Cash	
District Activity Funds	48
Notes to Financial Statements	49
Supplementary Information	
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
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
Schedule of Findings and Questioned Costs	64
Summary Schedule of Prior Audit Findings	66
Schedule of Expenditures of Federal Awards	67
Notes to Schedule of Expenditures of Federal Awards	68



INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District No. 428 Great Bend, Kansas
Great Bend, Kansas

We have audited the accompanying financial statements of **Unified School District No. 428 Great Bend, Kansas**, as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of **Unified School District No. 428 Great Bend, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As described more fully in Note 1, **Unified School District No. 428 Great Bend, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, whose practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Unified School District No. 428 Great Bend, Kansas**, as of June 30, 2012, or the changes in its financial position for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **Unified School District No. 428 Great Bend, Kansas**, as of June 30, 2012, and their respective cash receipts and disbursements and budgetary results for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2012, on our consideration of **Unified School District No. 428 Great Bend, 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

Unified School District No. 428 Great Bend, Kansas

Page Two

not to provide an opinion on 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 opinions on the financial statements that collectively comprise **Unified School District No. 428 Great Bend, Kansas'** financial statements as a whole. 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 statements. The schedule of expenditures of federal awards is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, 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 statements as a whole.

Adams, Brown, Beran & Ball, Chtd.

ADAMS, BROWN, BERAN & BALL, CHTD.

Certified Public Accountants

November 12, 2012

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2012

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Fund Categories								
General Funds								
General Fund	\$ (1,255,479)	1,255,479	-	18,833,348	18,833,348	-	874,947	874,947
Supplemental General Fund	(52,627)	177,181	-	5,703,139	5,575,000	252,693	65,784	318,477
Special Revenue Funds								
4 Year Old At Risk Fund	-	-	-	56,700	56,700	-	63	63
K-12 At Risk Fund	303,300	-	-	3,776,182	3,776,182	303,300	2,187	305,487
Bilingual Education Fund	51,000	-	-	594,530	594,530	51,000	14	51,014
Capital Outlay Fund	4,872,071	-	2,819	713,154	697,295	4,890,749	356,954	5,247,703
Driver Training Fund	161,801	-	-	14,476	56,283	119,994	7,555	127,549
Food Service Fund	419,722	-	-	1,856,690	1,769,035	507,377	3,212	510,589
Professional Development Fund	766,121	-	137	141,637	142,092	765,803	17,653	783,456
Parent Education Fund	-	-	-	32,750	32,750	-	530	530
Summer School Fund	304,694	-	-	-	34,430	270,264	-	270,264
Special Education Fund	2,090,112	-	-	3,073,536	3,078,852	2,084,796	-	2,084,796
Vocational Education Fund	90,216	-	45	574,952	543,982	121,231	16,454	137,685
Contingency Reserve Fund	1,913,382	-	-	-	39,035	1,874,347	-	1,874,347
Textbook and Student Material Fund	1,123,405	-	238	137,570	98,939	1,162,274	1,098	1,163,372
Coop Special Education Fund	2,172,378	-	40	5,036,644	4,573,303	2,635,759	4,826	2,640,585
Parent Teacher Resource Room Fund	86,598	-	-	12,138	39,889	58,847	-	58,847
KPERS Retirement Contributions Fund	-	-	-	2,497,744	2,497,744	-	-	-
Title I, Part A Improving the Academic Achievement of Disadvantaged, 2011 Carryover Fund	(81,832)	-	-	201,453	119,621	-	-	-
Title I, Part A Improving the Academic Achievement of Disadvantaged Fund	-	-	-	820,188	820,188	-	3,967	3,967
Title I, Part C Migrant Education, 2011 Carryover Fund	(92,172)	-	-	92,172	-	-	-	-
Title I, Part C Migrant Education Fund	-	-	-	199,560	215,500	(15,940)	516	(15,424)
Title II, Part A Teacher Quality, 2011 Carryover Fund	(17,339)	-	-	17,339	-	-	-	-
Title II, Part A Teacher Quality Fund	-	-	-	155,770	155,770	-	5,875	5,875
Title III, Part A English Language Acquisition Fund	-	-	-	54,095	54,095	-	158	158

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2012

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Special Revenue Funds (continued)								
Title VI-B, 2011 Carryover Fund	(78,772)	-	-	762,982	684,210	-	-	-
Title VI-B Fund	-	-	-	601,434	764,669	(163,235)	-	(163,235)
Early Childhood, 2011 Carryover Fund	(3,773)	-	-	13,971	10,198	-	-	-
Early Childhood Fund	-	-	-	35,176	38,476	(3,300)	-	(3,300)
Carl Perkins Fund	-	-	-	28,650	28,650	-	-	-
Education Foundation Grant Fund	-	-	-	10,590	10,590	-	600	600
Targeted Improvement Plan Fund	-	-	-	39,231	39,231	-	-	-
21st Century Supplemental 2011-2012 Fund	-	-	-	74,266	74,266	-	2,148	2,148
21st Century Learning Center 2012 Fund	-	-	-	70,000	70,000	-	266	266
District Activity Funds	147,404	-	-	397,436	383,219	161,621	-	161,621
Debt Service Funds								
Bond and Interest Fund	2,609,435	-	-	1,785,797	1,780,705	2,614,527	-	2,614,527
Advanced Refunding Bond Fund	-	-	-	3,700,434	3,673,551	26,883	-	26,883
Proprietary Fund Category								
Internal Service Fund								
Special Reserve Fund	2,265,105	-	-	3,114,498	2,960,559	2,419,044	-	2,419,044
Total Reporting Entity (Excluding Agency Funds)	\$ 17,794,750	1,432,660	3,279	55,230,232	54,322,887	20,138,034	1,364,807	21,502,841
				Composition of Cash				
				Checking Accounts				\$ 7,981,216
				Petty Cash Accounts				10,000
				Certificates of Deposits				13,539,500
				Total Cash				21,530,716
				Agency Funds per Statement 4				(27,875)
				Total Reporting Entity (Excluding Agency Funds)				\$ 21,502,841

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
 Summary of Expenditures - Actual and Budget
 For the Year Ended June 30, 2012

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
Governmental Fund Categories						
General Funds						
General Fund	\$ 18,743,473	-	89,875	18,833,348	18,833,348	-
Supplemental General Fund	5,575,000	-	-	5,575,000	5,575,000	-
Special Revenue Funds						
4 Year Old At Risk Fund	57,200	-	-	57,200	56,700	(500)
K-12 At Risk Fund	3,946,842	-	-	3,946,842	3,776,182	(170,660)
Bilingual Education Fund	602,880	-	-	602,880	594,530	(8,350)
Capital Outlay Fund	5,460,070	-	-	5,460,070	697,295	(4,762,775)
Driver Training Fund	174,381	-	-	174,381	56,283	(118,098)
Food Service Fund	2,007,074	-	-	2,007,074	1,769,035	(238,039)
Professional Development Fund	766,122	-	-	766,122	142,092	(624,030)
Parent Education Fund	32,750	-	-	32,750	32,750	-
Summer School Fund	304,694	-	-	304,694	34,430	(270,264)
Special Education Fund	5,007,540	-	-	5,007,540	3,078,852	(1,928,688)
Vocational Education Fund	664,215	-	-	664,215	543,982	(120,233)
Coop Special Education Fund	7,900,338	-	-	7,900,338	4,573,303	(3,327,035)
KPERS Retirement Contributions Fund	2,676,460	-	-	2,676,460	2,497,744	(178,716)
Debt Service Fund						
Bond and Interest Fund	1,781,205	-	-	1,781,205	1,780,705	(500)

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2012
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 2,310,978	2,444,640	2,373,341	71,299
Delinquent Tax	80,024	79,742	37,409	42,333
Mineral Severance Tax	21,217	19,571	-	19,571
State Aid				
Equalization Aid	13,786,216	13,974,411	13,879,578	94,833
Special Education Aid	1,975,548	2,216,174	2,216,174	-
Other Aid	14,290	-	-	-
Federal Aid - Education Jobs	610,827	8,935	-	8,935
Federal Aid - ARRA	348,845	-	-	-
Reimbursed Expenses	57,000	89,875	-	89,875
Total Cash Receipts	19,204,945	18,833,348	18,506,502	326,846
Expenditures				
Instruction	4,907,974	5,076,515	5,432,060	(355,545)
Student Support Services	587,407	597,232	592,266	4,966
Instructional Support Staff	280,289	264,689	283,832	(19,143)
General Administration	1,189,225	1,261,934	1,199,007	62,927
School Administration	1,546,335	1,480,841	1,533,188	(52,347)
Architectural and Engineering Services	31,111	98,790	32,000	66,790
Operations and Maintenance	3,010,778	3,080,408	3,010,365	70,043
Student Transportation Services	454,697	465,065	325,412	139,653
Other Support Services	54,009	57,122	54,991	2,131
Transfers Out	7,143,285	6,450,752	6,283,033	167,719
Adjustment to Comply With Legal Max	-	-	(2,681)	2,681
Legal General Fund Budget	19,205,110	18,833,348	18,743,473	89,875
(a) Adjustment for Qualifying Budget Credit	-	-	89,875	(89,875)
Total Expenditures	19,205,110	18,833,348	18,833,348	-
Cash Receipts Over (Under) Expenditures	(165)	-		
Unencumbered Cash - Beginning As Previously Stated	165	(1,255,479)		
Prior Period Adjustment	-	1,255,479		
Unencumbered Cash - Beginning As Restated	165	-		
Unencumbered Cash - Ending	\$ -	-		
(a) Adjustment for Qualifying Budget Credit				
Reimbursed Expenses Over Amount Budgeted			\$ 89,875	

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Supplemental General Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 2,310,248	2,506,384	2,374,298	132,086
Delinquent Tax	71,192	71,225	37,327	33,898
Motor Vehicle Tax	390,273	379,295	393,072	(13,777)
Vehicle Rental Excise Tax	2,116	2,217	-	2,217
Recreational Vehicle Tax	6,041	6,055	6,366	(311)
State Aid	2,982,228	2,737,963	2,639,383	98,580
Total Cash Receipts	<u>5,762,098</u>	<u>5,703,139</u>	<u>5,450,446</u>	<u>252,693</u>
Expenditures				
Instruction	3,445,864	3,180,748	3,216,537	(35,789)
General Administration	11,884	26,878	11,595	15,283
Operations and Maintenance	1,985	1,985	1,985	-
Student Transportation Services	45,506	-	43,521	(43,521)
Transfers Out	2,335,561	2,365,389	2,301,362	64,027
Total Expenditures	<u>5,840,800</u>	<u>5,575,000</u>	<u>5,575,000</u>	<u>-</u>
Cash Receipts Over (Under) Expenditures	<u>(78,702)</u>	<u>128,139</u>		
Unencumbered Cash - Beginning As Previously Reported	203,256	(52,627)		
Prior Period Adjustment	<u>-</u>	<u>177,181</u>		
Unencumbered Cash - Beginning As Restated	<u>203,256</u>	<u>124,554</u>		
Unencumbered Cash - Ending	\$ <u>124,554</u>	<u>252,693</u>		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
4 Year Old At Risk Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Miscellaneous	\$ -	-	500	(500)
Transfers In	59,055	56,700	56,700	-
Total Cash Receipts	59,055	56,700	57,200	(500)
Expenditures				
Instruction	50,055	56,700	49,668	7,032
Student Support Services	8,000	-	7,532	(7,532)
Food Service Operations	1,000	-	-	-
Total Expenditures	59,055	56,700	57,200	(500)
Cash Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	-	-		
Unencumbered Cash - Ending	\$ -	-		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
K-12 At Risk Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Miscellaneous	\$ 65	-	-	-
Transfers In	3,796,449	3,776,182	3,643,542	132,640
Total Cash Receipts	3,796,514	3,776,182	3,643,542	132,640
Expenditures				
Instruction	3,787,908	3,767,382	3,938,374	(170,992)
Other Support Services	8,541	8,800	8,468	332
Total Expenditures	3,796,449	3,776,182	3,946,842	(170,660)
Cash Receipts Over (Under) Expenditures	65	-		
Unencumbered Cash - Beginning	303,235	303,300		
Unencumbered Cash - Ending	\$ 303,300	303,300		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Bilingual Education Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Fees	\$ 1,000	-	-	-
Transfers In	580,000	594,530	551,880	42,650
Total Cash Receipts	581,000	594,530	551,880	42,650
Expenditures				
Instruction	580,000	594,530	602,880	(8,350)
Cash Receipts Over (Under) Expenditures	1,000	-		
Unencumbered Cash - Beginning	50,000	51,000		
Unencumbered Cash - Ending	\$ 51,000	51,000		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Capital Outlay Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2012
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Interest Income	\$ 51,729	34,446	-	34,446
Other Income	18,839	34,485	-	34,485
Sale of Assets	-	56,223	-	56,223
Transfers In	709,159	588,000	588,000	-
Total Cash Receipts	<u>779,727</u>	<u>713,154</u>	<u>588,000</u>	<u>125,154</u>
Expenditures				
Instruction	71,284	63,368	5,289,012	(5,225,644)
Operations and Maintenance	16,763	28,415	18,523	9,892
Site Improvement Services	148,846	261,990	152,535	109,455
Architectural Services	-	173,765	-	173,765
District Roof Maintenance	3,000	169,757	-	169,757
Total Expenditures	<u>239,893</u>	<u>697,295</u>	<u>5,460,070</u>	<u>(4,762,775)</u>
Cash Receipts Over (Under) Expenditures	539,834	15,859		
Unencumbered Cash - Beginning	4,332,237	4,872,071		
Prior Year Cancelled Encumbrances	-	2,819		
Unencumbered Cash - Ending	<u>\$ 4,872,071</u>	<u>4,890,749</u>		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Driver Training Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2012
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State Aid	\$ 11,840	14,476	12,580	1,896
Fees	20,155	-	-	-
Total Cash Receipts	31,995	14,476	12,580	1,896
Expenditures				
Instruction	32,154	38,871	165,272	(126,401)
School Administration	-	2,764	-	2,764
Operations and Maintenance	8,558	14,648	9,109	5,539
Total Expenditures	40,712	56,283	174,381	(118,098)
Cash Receipts Over (Under) Expenditures	(8,717)	(41,807)		
Unencumbered Cash - Beginning	170,518	161,801		
Unencumbered Cash - Ending	\$ 161,801	119,994		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Food Service Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State Aid	\$ 18,050	18,626	14,459	4,167
Federal Aid	1,148,744	1,232,897	1,082,290	150,607
Lunch Receipts				
Students	365,196	380,420	290,498	89,922
Adults	77,666	74,941	200,105	(125,164)
Summer Lunch	1,251	734	-	734
Other Income	109,118	133,811	-	133,811
Reimbursed Expenses	13,557	15,261	-	15,261
Total Cash Receipts	<u>1,733,582</u>	<u>1,856,690</u>	<u>1,587,352</u>	<u>269,338</u>
Expenditures				
Operations and Maintenance	34,779	35,927	79,890	(43,963)
Other Support Services	16	113	-	113
Food Service Operation	1,646,505	1,732,995	1,927,184	(194,189)
Total Expenditures	<u>1,681,300</u>	<u>1,769,035</u>	<u>2,007,074</u>	<u>(238,039)</u>
Cash Receipts Over (Under) Expenditures	52,282	87,655		
Unencumbered Cash - Beginning	<u>367,440</u>	<u>419,722</u>		
Unencumbered Cash - Ending	\$ <u>419,722</u>	<u>507,377</u>		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Professional Development Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Reimbursed Expenses	\$ 977	1,637	-	1,637
Transfers In	200,000	140,000	-	140,000
Total Cash Receipts	200,977	141,637	-	141,637
Expenditures				
Instructional Support Staff	102,812	133,723	766,122	(632,399)
General Administration	10,330	8,369	-	8,369
Total Expenditures	113,142	142,092	766,122	(624,030)
Cash Receipts Over (Under) Expenditures	87,835	(455)		
Unencumbered Cash - Beginning	676,769	766,121		
Prior Year Cancelled Encumbrances	1,517	137		
Unencumbered Cash - Ending	\$ 766,121	765,803		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
 Parent Education Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Revenue From Other School Districts	\$ 2,715	-	-	-
State Aid	41,370	19,557	19,557	-
Transfers In	24,432	13,193	13,193	-
Total Cash Receipts	<u>68,517</u>	<u>32,750</u>	<u>32,750</u>	<u>-</u>
Expenditures				
Student Support Services	68,517	32,380	32,650	(270)
Instructional Support Services	-	370	100	270
Total Expenditures	<u>68,517</u>	<u>32,750</u>	<u>32,750</u>	<u>-</u>
Cash Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	-	-		
Unencumbered Cash - Ending	<u>\$ -</u>	<u>-</u>		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Summer School Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Transfers In	\$ 100,000	-	-	-
Expenditures				
Instruction	23,169	34,430	304,694	(270,264)
Cash Receipts Over (Under) Expenditures	76,831	(34,430)		
Unencumbered Cash - Beginning	227,863	304,694		
Unencumbered Cash - Ending	\$ 304,694	270,264		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Special Education Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Reimbursed Expenses	\$ 87,510	-	-	-
Medicaid Payments	12,422	-	-	-
Transfers In	2,835,548	3,073,536	2,917,428	156,108
Total Cash Receipts	2,935,480	3,073,536	2,917,428	156,108
Expenditures				
Instruction	2,799,561	3,064,823	4,997,472	(1,932,649)
Student Transportation Services	8,712	14,029	10,068	3,961
Total Expenditures	2,808,273	3,078,852	5,007,540	(1,928,688)
Cash Receipts Over (Under) Expenditures	127,207	(5,316)		
Unencumbered Cash - Beginning	1,962,905	2,090,112		
Unencumbered Cash - Ending	\$ 2,090,112	2,084,796		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Vocational Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2012
(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State Aid	\$ -	25	-	25
Reimbursed Expenses	3,332	927	-	927
Transfers In	574,203	574,000	574,000	-
Total Cash Receipts	577,535	574,952	574,000	952
Expenditures				
Instruction	515,509	531,000	651,558	(120,558)
Student Support Services	8,000	8,000	8,000	-
Instructional Support Services	1,708	1,760	1,723	37
Secretarial Office Services	-	593	-	593
Operations and Maintenance	2,834	2,629	2,934	(305)
Total Expenditures	528,051	543,982	664,215	(120,233)
Cash Receipts Over (Under) Expenditures	49,484	30,970		
Unencumbered Cash - Beginning	39,760	90,216		
Prior Year Cancelled Encumbrance	972	45		
Unencumbered Cash - Ending	\$ 90,216	121,231		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Contingency Reserve Fund
Statement of Cash Receipts and Expenditures
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	\$ -	-
Expenditures		
Insurance	132,662	-
Instruction	-	39,035
Total Expenditures	132,662	39,035
Cash Receipts Over (Under) Expenditures	(132,662)	(39,035)
Unencumbered Cash - Beginning	2,046,044	1,913,382
Unencumbered Cash - Ending	\$ 1,913,382	1,874,347

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Textbook and Student Material Fund
Statement of Cash Receipts and Expenditures
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		
Fees	\$ 90,106	85,667
Commissions	3,660	2,006
Donations	23,003	16,569
Grants	-	14,569
Other Income	38,505	18,759
Total Cash Receipts	<u>155,274</u>	<u>137,570</u>
Expenditures		
Instruction	79,820	93,455
Instructional Support Staff	5,465	5,484
Total Expenditures	<u>85,285</u>	<u>98,939</u>
Cash Receipts Over (Under) Expenditures	69,989	38,631
Unencumbered Cash - Beginning	1,052,866	1,123,405
Prior Year Cancelled Encumbrances	<u>550</u>	<u>238</u>
Unencumbered Cash - Ending	\$ <u><u>1,123,405</u></u>	<u><u>1,162,274</u></u>

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Coop Special Education Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Federal Aid	\$ 18,403	22,871	914,933	(892,062)
Medicaid Payments	171,131	161,749	167,000	(5,251)
Other Reserve Grants	-	-	135,000	(135,000)
Payments From Participating Districts	4,580,149	4,813,021	4,568,090	244,931
Other Income	20,081	39,003	25,481	13,522
Total Cash Receipts	<u>4,789,764</u>	<u>5,036,644</u>	<u>5,810,504</u>	<u>(773,860)</u>
Expenditures				
Instruction	3,372,826	3,587,629	6,884,196	(3,296,567)
Student Support Services	447,016	440,671	443,610	(2,939)
Instructional Support Staff	13,797	15,081	23,018	(7,937)
General Administration	198,997	204,013	212,700	(8,687)
Operations and Maintenance	40,177	31,979	43,963	(11,984)
Student Transportation Services	290,658	293,930	292,851	1,079
Total Expenditures	<u>4,363,471</u>	<u>4,573,303</u>	<u>7,900,338</u>	<u>(3,327,035)</u>
Cash Receipts Over (Under) Expenditures	426,293	463,341		
Unencumbered Cash - Beginning	1,746,085	2,172,378		
Prior Year Cancelled Encumbrances	-	40		
Unencumbered Cash - Ending	\$ <u>2,172,378</u>	<u>2,635,759</u>		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Parent Teacher Resource Room Fund
Statement of Cash Receipts and Expenditures
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		
Revenue From Local Sources	\$ 12,755	12,138
Expenditures		
Instructional Support Staff	15,898	33,158
General Administration	608	566
Community Service Operations	11,351	6,165
Total Expenditures	27,857	39,889
Cash Receipts Over (Under) Expenditures	(15,102)	(27,751)
Unencumbered Cash - Beginning	101,700	86,598
Unencumbered Cash - Ending	\$ 86,598	58,847

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
KPERS Retirement Contributions Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended June 30, 2012
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State Aid	\$ 1,454,598	2,497,744	2,676,460	(178,716)
Expenditures				
Instruction	1,032,764	1,773,398	1,900,286	(126,888)
Student Support Services	80,003	137,376	147,205	(9,829)
Instructional Support Services	21,819	37,466	40,147	(2,681)
General Administration	72,730	124,887	133,823	(8,936)
School Administration	87,276	149,865	160,588	(10,723)
Operations and Maintenance	87,276	149,865	160,588	(10,723)
Student Transportation Services	29,092	49,955	53,529	(3,574)
Food Operations Services	43,638	74,932	80,294	(5,362)
Total Expenditures	1,454,598	2,497,744	2,676,460	(178,716)
Cash Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	-	-		
Unencumbered Cash - Ending	\$ -	-		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title I, Part A Improving the Academic Achievement of Disadvantaged, 2011 Carryover Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ 626,690	201,453
Expenditures		
Instruction	592,070	119,621
Student Support Services	90,789	-
Indirect Costs	25,663	-
Total Expenditures	708,522	119,621
Cash Receipts Over (Under) Expenditures	(81,832)	81,832
Unencumbered Cash - Beginning	-	(81,832)
Unencumbered Cash - Ending	\$ (81,832)	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title I, Part A Improving the Academic Achievement of Disadvantaged Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ -	820,188
Expenditures		
Instruction	-	724,995
Student Support Services	-	92,879
Indirect Costs	-	2,314
Total Expenditures	-	820,188
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title I, Part A Improving the Academic Achievement of Disadvantaged ARRA Fund
Statement of Cash Receipts and Expenditures
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 Aid - ARRA	\$ 66,396	-
Expenditures		
Instruction	28,866	-
Cash Receipts Over (Under) Expenditures	37,530	-
Unencumbered Cash - Beginning	(37,530)	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title I, Part C Migrant Education, 2011 Carryover Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ 308,478	92,172
Expenditures		
Instruction	305,433	-
Student Support Services	43,469	-
General Administration	51,748	-
Total Expenditures	400,650	-
Cash Receipts Over (Under) Expenditures	(92,172)	92,172
Unencumbered Cash - Beginning	-	(92,172)
Unencumbered Cash - Ending	\$ (92,172)	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title I, Part C Migrant Education Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ -	199,560
Expenditures		
Instruction	-	116,505
Student Support Services	-	47,430
General Administration	-	51,565
Total Expenditures	-	215,500
Cash Receipts Over (Under) Expenditures	-	(15,940)
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	(15,940)

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title II, Part A Teacher Quality, 2011 Carryover Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ 161,648	17,339
Expenditures		
Instruction	178,987	-
Cash Receipts Over (Under) Expenditures	(17,339)	17,339
Unencumbered Cash - Beginning	-	(17,339)
Unencumbered Cash - Ending	\$ (17,339)	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title II, Part A Teacher Quality Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ -	155,770
Expenditures		
Instruction	-	155,770
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title II, Part D Education Technology Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ 2,803	-
Expenditures		
Instruction	2,803	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title III, Part A English Language Acquisition Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ -	54,095
Expenditures		
Instruction	-	54,095
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title VI-B, 2011 Carryover Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ 250,522	762,982
Expenditures		
Instruction	329,294	684,210
Cash Receipts Over (Under) Expenditures	(78,772)	78,772
Unencumbered Cash - Beginning	-	(78,772)
Unencumbered Cash - Ending	\$ (78,772)	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title VI-B Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ -	601,434
Expenditures		
Instruction	-	764,669
Cash Receipts Over (Under) Expenditures	-	(163,235)
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	(163,235)

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Title VI-B ARRA Fund
Statement of Cash Receipts and Expenditures
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 Aid - ARRA	\$ 538,272	-
Expenditures		
Instruction	538,272	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Early Childhood, 2011 Carryover Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ 26,436	13,971
Expenditures		
Instruction	30,209	10,198
Cash Receipts Over (Under) Expenditures	(3,773)	3,773
Unencumbered Cash - Beginning	-	(3,773)
Unencumbered Cash - Ending	\$ (3,773)	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Early Childhood Fund
 Statement of Cash Receipts and Expenditures
 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 Aid	\$ -	35,176
Expenditures		
Instruction	-	38,476
Cash Receipts Over (Under) Expenditures	-	(3,300)
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	(3,300)

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Early Childhood ARRA Fund
Statement of Cash Receipts and Expenditures
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 Aid - ARRA	\$ 22,671	-
Expenditures		
Instruction	22,671	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Carl Perkins Fund
 Statement of Cash Receipts and Expenditures
 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 Aid	\$ 32,131	28,650
Expenditures		
Instruction	17,918	23,061
Instructional Support Staff	12,623	4,866
School Administration	1,590	723
Total Expenditures	32,131	28,650
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	-	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Education Foundation Grant Fund
Statement of Cash Receipts and Expenditures
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		
Revenue From Local Sources	\$ 10,370	10,590
Expenditures		
Instruction	10,370	10,590
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Targeted Improvement Plan Fund
 Statement of Cash Receipts and Expenditures
 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 Aid	\$ 39,231	39,231
Expenditures		
Instruction	32,091	33,031
Instructional Support Services	7,140	6,200
Total Expenditures	39,231	39,231
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
21st Century Supplemental 2011-2012 Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ -	74,266
Expenditures		
Instruction	-	74,266
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
21st Century Learning Center 2012 Fund
Statement of Cash Receipts and Expenditures
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 Aid	\$ -	70,000
Expenditures		
Instruction	-	65,500
Instruction Support Services	-	4,500
Total Expenditures	-	70,000
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Bond and Interest Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended June 30, 2012

(With Comparative Actual Totals for the Prior Year Ended June 30, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 913,133	908,690	885,875	22,815
Delinquent Tax	28,124	27,682	14,755	12,927
Motor Vehicle Tax	166,986	149,770	155,223	(5,453)
Recreational Vehicle Tax	2,593	2,391	2,514	(123)
Rental Excise Tax	835	875	-	875
State Aid	695,855	694,475	694,475	-
Transfers In	-	1,914	-	1,914
Total Cash Receipts	<u>1,807,526</u>	<u>1,785,797</u>	<u>1,752,842</u>	<u>32,955</u>
Expenditures				
Interest Payments	494,243	445,705	445,705	-
Principal Payments	1,290,000	1,335,000	1,335,000	-
Commission and Postage	-	-	500	(500)
Total Expenditures	<u>1,784,243</u>	<u>1,780,705</u>	<u>1,781,205</u>	<u>(500)</u>
Cash Receipts Over (Under) Expenditures	23,283	5,092		
Unencumbered Cash - Beginning	<u>2,586,152</u>	<u>2,609,435</u>		
Unencumbered Cash - Ending	\$ <u>2,609,435</u>	<u>2,614,527</u>		

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Advanced Refunding Bond Fund
 Statement of Cash Receipts and Expenditures
 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		
Bond Proceeds	\$ -	3,565,000
Bond Premium	-	134,840
Accrued Interest	-	594
Total Cash Receipts	-	3,700,434
Expenditures		
Principal Payments	-	3,650,000
Underwriter's Discount	-	21,390
Bond Issuance Costs	-	247
Transfers Out	-	1,914
Total Expenditures	-	3,673,551
Cash Receipts Over (Under) Expenditures	-	26,883
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	26,883

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Special Reserve Fund
 Statement of Cash Receipts and Expenditures
 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		
Premiums	\$ 3,108,763	3,058,269
Interest Income	4,551	4,478
Other Income	2,971	1,663
Reimbursements	41,424	50,088
Transfers In	600,000	-
Total Cash Receipts	3,757,709	3,114,498
Expenditures		
Insurance - Self Insured	3,376,072	2,960,559
Cash Receipts Over (Under) Expenditures	381,637	153,939
Unencumbered Cash - Beginning	1,883,468	2,265,105
Unencumbered Cash - Ending	\$ 2,265,105	2,419,044

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Agency Funds

Summary of Cash Receipts and Cash Disbursements

For the Year Ended June 30, 2012

Funds	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Activity Funds				
High School				
Art Fund	\$ 972	426	280	1,118
Distributive Education Clubs of America	1,282	160	176	1,266
Drafting Fund	1,388	1,773	1,852	1,309
Drama Club	487	5,706	5,921	272
Future Business Leaders of America	2,238	15,693	17,179	752
Future Educators of America	639	1,183	1,092	730
Future Farmers of America	5,415	7,778	11,299	1,894
German Club	2,532	-	2,532	-
Great Bend Folk Dancers	166	6	-	172
Kayettes	4,524	32,979	34,159	3,344
Keys Club	762	1,218	1,080	900
National Honor Society	1,175	1,598	1,682	1,091
Panther Paw Shoppe	942	3,027	3,440	529
Presidents' Club	1,900	715	553	2,062
Presidents' Club - Santa's	-	50	-	50
Spanish Club	841	2,686	159	3,368
STUCO	1,016	1,509	1,803	722
Vocational Technology Club	2,861	555	771	2,645
In-House Computer Class	581	699	906	374
Class of 2012	1,547	192	1,739	-
Class of 2013	668	7,430	6,248	1,850
Class of 2014	261	1,188	1,053	396
Class of 2015	-	1,008	764	244
Total High School	<u>32,197</u>	<u>87,579</u>	<u>94,688</u>	<u>25,088</u>
Middle School				
Student Council	2,551	6,943	8,590	904
Music Club	-	927	-	927
Art Club	-	832	-	832
Reading Club	-	28	28	-
Ramp Up Club	-	369	361	8
Science Club	-	64	48	16
Core 8-3 Club	-	100	-	100
Total Middle School	<u>2,551</u>	<u>9,263</u>	<u>9,027</u>	<u>2,787</u>
Total Student Activity Funds	\$ <u>34,748</u>	<u>96,842</u>	<u>103,715</u>	<u>27,875</u>

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
District Activity Funds
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2012

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts							
High School							
Athletics	\$ 87,146	-	215,165	201,536	100,775	-	100,775
Athletic Meal Money	707	-	25,023	24,173	1,557	-	1,557
Total Gate Receipts	<u>87,853</u>	<u>-</u>	<u>240,188</u>	<u>225,709</u>	<u>102,332</u>	<u>-</u>	<u>102,332</u>
School Projects							
High School							
Forensics	1,261	-	429	798	892	-	892
Drama	379	-	4,624	3,556	1,447	-	1,447
Interest	3,653	-	365	1,343	2,675	-	2,675
Student Recognition	355	-	816	712	459	-	459
After Prom/Student Recognition	1,520	-	5,785	6,003	1,302	-	1,302
RHOREA	31,810	-	27,858	35,054	24,614	-	24,614
Newspaper	5,106	-	1,347	854	5,599	-	5,599
Vocal Music	8,491	-	54,440	51,059	11,872	-	11,872
Instrumental Music	3,977	-	14,699	13,207	5,469	-	5,469
Strings	637	-	2,736	2,118	1,255	-	1,255
Other	1,261	-	13,896	12,494	2,663	-	2,663
Scholars Bowl	1,101	-	553	612	1,042	-	1,042
Total High School	<u>59,551</u>	<u>-</u>	<u>127,548</u>	<u>127,810</u>	<u>59,289</u>	<u>-</u>	<u>59,289</u>
Middle School							
Concession	-	-	12,765	12,765	-	-	-
Library	-	-	544	544	-	-	-
Music in Motion	-	-	6,036	6,036	-	-	-
Yearbook	-	-	5,957	5,957	-	-	-
Athletics	-	-	4,398	4,398	-	-	-
Total Middle School	<u>-</u>	<u>-</u>	<u>29,700</u>	<u>29,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total School Projects	<u>59,551</u>	<u>-</u>	<u>157,248</u>	<u>157,510</u>	<u>59,289</u>	<u>-</u>	<u>59,289</u>
Total District Activity Funds	<u>\$ 147,404</u>	<u>-</u>	<u>397,436</u>	<u>383,219</u>	<u>161,621</u>	<u>-</u>	<u>161,621</u>

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 428 Great Bend, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to 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. The following is a summary of such significant policies.

Reporting Entity

The District is a municipal corporation governed by an elected board. The financial statements of the District consist of all the funds of the District that are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. The District has no component units.

Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of the District for the year ended June 30, 2012.

Governmental Fund Categories

General Funds – to account for all financial resources except those required to be reported in another fund.

Special Revenue Funds – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

District Activity Funds – a special revenue fund that accounts for the receipts and disbursements of monies from District activities. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. The students participate in the activities, but the board of education has control of the expenditures. This accounting reflects the District's agency relationship with the student activity organizations.

Debt Service Funds – to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Fund Category

Internal Service Fund – to account for activities that provide goods or services to other funds, departments, or agencies of the District and its component units, or to other governments, on a cost-reimbursement basis when the District is the predominant participant in the activity.

Fiduciary Fund Categories

Agency Funds – to account for assets held by the District as trustee or agent for others.

Student Activity Funds – an agency fund that accounts for the receipts and disbursements of monies from student activity organizations in which the students participate and are involved in the management of the organization's activities. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. The student organization approves the expenditure, not the Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

Statutory Basis of Accounting

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

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

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

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Information

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

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. 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 10 days after publication the hearing may be held and the governing body may amend the budget at that time. There was a budget amendment for this year for the General Fund.

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

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

A legal operating budget is not required for capital project funds, fiduciary funds, permanent funds, and the following special revenue funds: Contingency Reserve Fund; Textbook and Student Material Fund; Title VI-B Fund; Title VI-B, 2011 Carryover Fund; Title VI-B ARRA Fund; Early Childhood, 2011 Carryover Fund; Early Childhood Fund; Early Childhood ARRA Fund; Targeted Improvement Plan Fund; Carl Perkins Fund; Parent Teacher Resource Room Fund; Education Foundation Grant Fund; Title I, Part A Improving the Academic Achievement of Disadvantaged, 2011 Carryover Fund; Title I, Part A Improving the Academic Achievement of Disadvantaged Fund; Title I, Part A Improving the Academic Achievement of Disadvantaged ARRA Fund; Title I, Part C Migrant Education, 2011 Carryover Fund; Title I, Part C Migrant Education Fund; Title II, Part A Teacher Quality Fund; Title II, Part A Teacher Quality, 2011 Carryover Fund; Title III, Part A English Language Acquisition Fund; 21st Century Supplemental 2011-2012 Fund; 21st Century Learning Center 2012 Fund; and District Activity Funds.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Notes to Financial Statements
June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Deposits and Investments

The District follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary of cash receipts, expenditures, and unencumbered cash.

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

K.S.A. 12-1675 limits the District's investments 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 K.S.A. 9-1405.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not use "peak periods". All deposits were legally secured at June 30, 2012.

At June 30, 2012, the District's carrying amount of deposits was \$21,530,716 and the bank balance was \$23,073,757. The bank balance was held by six banks resulting in a concentration of credit risk. Of the bank balance, \$2,663,574 was covered by federal depository insurance and \$20,410,183 was collateralized with securities held by pledging financial institutions' agents in the District's name.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments at June 30, 2012.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Vacation

Classified Employees – Full-time employees receive vacation hours ranging from 60 to 120 hours per year determined by their length of employment with the District. First year employees are prorated per the classified handbook. Vacation cannot be accrued from year to year.

Sick Leave

Classified Employees - Contracted classified personnel are eligible for sick leave benefits at the rate of eight hours per day or pro-rated for employees working less than full-time for each month of employment. Food service personnel, teacher assistants, special education paraprofessionals, contracted bus drivers, and part-time secretaries may choose to use two of the current year credited sick leave days as personal leave, based on the employee's regular work schedule. Sick leave may be accumulated to a maximum of 720 hours for classified personnel who are contracted for a minimum of 260 hours per year. Classified employees will be paid for additional hours beyond 720 hours of sick leave at the daily rate stated in the Certified Employees' Agreement divided by eight times the number of eligible sick leave hours. The overage is paid annually with the June payroll. Classified employees will be compensated for unused sick leave upon retirement from the District when in compliance with the retirement eligibility established by the Kansas Public Employees Retirement System. Compensation will be at the rate of \$25.00 for each day of unused leave.

Personal Leave

Certified Employees - Subject to certain limitations, a certified employee will be paid full salary for days absent due to personal leave, personal illness or quarantine of the employee or a member of his/her immediate family. A certified employee shall be entitled to 12 days each year for personal leave without loss of pay. At the end of the year, certified employees may sell any unused days of their 12 personal days at the rate of \$50.00. A certified employee shall be permitted to accumulate benefits to 90 days. Employees working more than nine months shall have one additional day per year per additional month employed with a maximum accumulation of 90 days. Certified employees will be compensated for unused leave upon retirement from the District when in compliance with the retirement eligibility established by the Kansas Public Employees Retirement System. Compensation will be at the rate of \$25.00 for each day of unused leave.

A potential liability for accumulated sick leave and personal leave is shown on the schedule of long-term debt.

Defined Benefit Pension Plan

Plan Description

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

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% and 6% (if hired on or after July 1, 2009) 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. The State currently contributes 9.77% of covered payroll and 22.96% for licensed KPERS retirees. These contribution requirements are established by KPERS and are periodically revised. The State of Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2012, 2011 and 2010 were \$298,635,383, \$253,834,044, and \$248,468,186, respectively, equal to the required contributions for each year as set forth by the legislature. The amounts attributable to the District for the years ending June 30, 2012, 2011, and 2010 were \$2,497,744, \$1,454,598 and \$1,667,735, respectively.

Other Post Employment Benefits

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

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

The District provides post-employment benefit options for health care and social security bridge payments for eligible early retirees. To be eligible for these payments, the early certified employee retiree shall have 10 years of consecutive employment in the District immediately preceding the year of early retirement and shall have accrued a minimum of 85 KPERS points. Beginning with early retirement, but not before the retirees' 60th birthday, the retiree will be eligible for a full single membership in the District's health insurance plan beginning October 1st of the year of retirement. This District benefit will terminate at age 65 at which time the retiree will go on Plan 65. The early retiree is also eligible for social security bridge payment(s) beginning at the age of 60 and terminating at age 62. If retiring at age 60, the amount would be 20% of the last contracted salary, which does not include supplemental compensation. The District paid \$22,757 for retirement bridge payments and \$83,632 for retirees' health insurance benefits for the year ended June 30, 2012. Approximately 16 employees participated in the retirement bridge and/or health insurance benefits. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in these financial statements.

Early Retirement Benefits

The District will annually invest \$500 for certified staff (prorated for part-time) in a defined contribution 403(b) plan. Full vesting occurs after the fifteenth year of employment at the District. Currently, employed certified teachers who are eligible to retire during the first 11 years of the plan may opt for the District's current enrollment benefits (health insurance benefit, social security bridge, and payment for accrued sick leave days or the amount in that person's defined contribution fund). The District contributed \$147,650 to the plan for the year ended June 30, 2012 on behalf of 296 participants. This amount also includes administration fees.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Tax Calendar

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the agency funds of the District for special purposes.

Reimbursements

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

NOTE 2 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 428 Great Bend, Kansas'** interfund transfers and statutory authority for the year ended June 30, 2012 were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Bilingual Education Fund	K.S.A. 72-6428	\$ 556,794
General Fund	Professional Development Fund	K.S.A. 72-6428	140,000
General Fund	Vocational Education Fund	K.S.A. 72-6428	530,000
General Fund	Capital Outlay Fund	K.S.A. 72-6428	588,000
General Fund	Special Education Fund	K.S.A. 72-6428	2,216,174
General Fund	4 Year Old At Risk Fund	K.S.A. 72-6428	56,700
General Fund	K-12 At-Risk Fund	K.S.A. 72-6428	2,349,891
General Fund	Parent Education Fund	K.S.A. 72-6428	13,193
Supplemental General Fund	Special Education Fund	K.S.A. 72-6433	857,362
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-6433	44,000
Supplemental General Fund	K-12 At-Risk Fund	K.S.A. 72-6433	1,426,291
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-6433	37,736
Advanced Refunding Bond Fund	Bond and Interest Fund	K.S.A. 10-427a	1,914

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 3 – CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project Authorization	Cash Disbursements and Accounts Payable to Date
Roofing Project	\$ 388,670	388,670
GBMS Flooring Replacement	187,875	-
Roofing Project – Park Elementary and GBMS	531,220	-
GBMS Gym Addition	2,715,903	-

NOTE 4 – LITIGATION

Unified School District No. 428 Great Bend, Kansas is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the District.

NOTE 5 – RISK MANAGEMENT

Unified School District No. 428 Great Bend, Kansas carries commercial insurance for risks of loss, including property, general liability, crime, boiler, errors and omissions, and automobile. The District has elected to obtain comprehensive and collision coverage on all District owned motor vehicles. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 6 – GRANTS AND SHARED REVENUES

Unified School District No. 428 Great Bend, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 7 – COMPARATIVE DATA

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **Unified School District No. 428 Great Bend, Kansas'** cash and unencumbered cash balances. However, complete comparative data (presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

NOTE 8 – OPERATING LEASES

Unified School District No. 428 Great Bend, Kansas currently has operating leases for two mailing machines, two postage meters, and seventeen copy machines and one risograph machine to be used

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 8 – OPERATING LEASES (continued)

within the District. The rental payments are made quarterly on the postage meters and monthly on the copy machines. As of June 30, 2012 the payments totaled as follows:

Postage Meters	\$ 5,384
Copy and Risograph Machines	64,416

Future minimum lease payments for the years ended June 30 are as follows:

		<u>Copy Machines</u>	<u>Postage Meters</u>	<u>Total</u>
2013	\$	64,228	5,384	69,612
2014		49,927	4,990	54,917
2015		40,795	2,298	43,093
2016		7,617	-	7,617
2017		115	-	115
Total	\$	<u>162,682</u>	<u>12,672</u>	<u>175,354</u>

NOTE 9 – SELF-INSURANCE PLANS

Health Care Coverage - During the year ended June 30, 2012, employees of **Unified School District No. 428 Great Bend, Kansas** were covered by the District's medical self-insurance plan. The premium contributed is approximately \$1,170, \$1,002 and \$570 per month per employee with family, employees with dependents, and single coverage, respectively. The District contributes \$585, \$501 and \$542 for an employee with family, employee with dependents, and a single employee, respectively, with the employee paying the difference through authorized payroll withholdings. Claims were paid by a third party administrator acting on behalf of the District. The administration contract between the District and the third party administration is renewable annually and administration fees are included in the contractual provisions. The District was protected against unanticipated catastrophic individual loss or aggregate loss by stop loss coverage carried through HighMark Life Insurance. Stop loss coverage was in effect for individual claims exceeding \$65,000 and for aggregate loss, which is based on a factor determined monthly by HighMark Life Insurance. The aggregate stop loss coverage for the month of June was \$178,974 and \$187,669 in 2012 and 2011, respectively.

<u>Self-Insurance Liability</u>		<u>Current Year Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>
2011	\$	544,389	2,901,442
2012		602,594	2,597,126

	<u>Claim Payments</u>	<u>Balance at Fiscal Year-End</u>	<u>Assets Available to Pay Claims at June 30</u>
\$	2,843,237	602,594	2,265,106
	2,742,979	456,741	2,419,044

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 10 – IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$1,495,833 subsequent to June 30, 2012 and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2012.

NOTE 11 – PRIOR PERIOD ADJUSTMENT

The General Fund and Supplemental General Fund Unencumbered Cash have been restated to zero and \$124,554, respectively, to be in conformity with the regulatory basis of accounting as of July 1, 2011.

NOTE 12 – BOND REFUNDING

On June 1, 2012 the District issued Series 2012 A general obligation refunding bonds of \$3,565,000 (par value) with an interest rate of 2.00% to advance refund term bonds. The Series 2012 A refunding bonds mature on September 1, 2017, and are not subject to redemption prior to maturity. The Series 2012 A bonds were issued at a premium and, after paying issuance costs of \$27,130, the net proceeds were \$3,651,914. The net proceeds from the issuance of the general obligation bonds were invested in United State Treasury Securities State and Local Government Series ("SLGS") from the issue date until August 31, 2012. All of the bond proceeds were spent on September 1, 2012 to pay the principal and interest on the refunded obligations. The investment netted \$704 in interest income that was remitted to the District on August 31, 2012. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the District's financial statements. As a result of the advance refunding, the economic gain to the District (difference between the present value of the debt service payments on the old and new debt) was \$353,244.

NOTE 13 – LONG-TERM DEBT

Unified School District No. 428 Great Bend, Kansas has the following types of long-term debt.

General Obligation Bonds

On May 15, 2002, the District issued \$7,275,000 Series 2002A refunding bonds for the purpose of providing funds for refunding \$6,805,000 in Series 1997A bonds. These were refunded on June 1, 2012.

On August 1, 2004, the District issued \$9,085,000 Series 2004A refunding bonds for the purpose of providing funds for refunding \$8,370,000 in Series 1998A bonds.

On June 1, 2012, the District issued \$3,565,000 Series 2012A refunding bonds for the purpose of providing funds for refunding \$3,560,000 in Series 2002A bonds.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Notes to Financial Statements

June 30, 2012

NOTE 13 - LONG-TERM DEBT (continued)

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds										
School Bonds, Series 2002-A	2.50 - 4.70%	05/15/2002	\$ 7,275,000	09/01/2017	4,905,000	-	4,265,000		640,000	204,073
School Bonds, Series 2004-A	2.40 - 4.10%	08/01/2004	9,085,000	09/01/2018	6,670,000	-	720,000		5,950,000	241,633
School Bonds, Series 2012-A	2.00%	06/01/2012	3,565,000	09/01/2017	-	3,565,000	-		3,565,000	-
Total Contractual Indebtedness					11,575,000	3,565,000	4,985,000		10,155,000	445,706
Compensated Absences					525,186			(27,519)	497,667	
Incurred but not Reported Claims					602,594			(145,853)	456,741	
Total Long-Term Debt					<u>\$ 12,702,780</u>	<u>3,565,000</u>	<u>4,985,000</u>	<u>(173,372)</u>	<u>11,109,408</u>	<u>445,706</u>

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

	Year						
	2013	2014	2015	2016	2017	2018-2020	Total
Principal							
General Obligation Bonds							
School Bonds, Series 2002-A	\$ 640,000	-	-	-	-	-	640,000
School Bonds, Series 2004-A	750,000	780,000	815,000	845,000	880,000	1,880,000	5,950,000
School Bonds, Series 2012-A	665,000	700,000	720,000	730,000	750,000	-	3,565,000
Total Principal	2,055,000	1,480,000	1,535,000	1,575,000	1,630,000	1,880,000	10,155,000
Interest							
General Obligation Bonds							
School Bonds, Series 2002-A	95,733	-	-	-	-	-	95,733
School Bonds, Series 2004-A	216,815	189,838	160,516	128,758	94,680	77,900	868,507
School Bonds, Series 2012-A	89,125	58,000	44,000	29,600	15,000	-	235,725
Total Interest	401,673	247,838	204,516	158,358	109,680	77,900	1,199,965
Total Principal and Interest	\$ 2,456,673	1,727,838	1,739,516	1,733,358	1,739,680	1,957,900	11,354,965

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Supplementary Information



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**

To the Board of Education
Unified School District No. 428 Great Bend, Kansas
Great Bend, Kansas

We have audited the financial statements of **Unified School District No. 428 Great Bend, Kansas** as of and for the year ended June 30, 2012, and have issued our report thereon dated November 12, 2012. The report on the audited financial statements was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented on a 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. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of **Unified School District No. 428 Great Bend, Kansas** is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered **Unified School District No. 428 Great Bend, Kansas'** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **Unified School District No. 428 Great Bend, Kansas'** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 428 Great Bend, 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

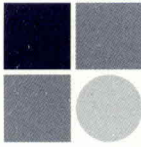
As part of obtaining reasonable assurance about whether **Unified School District No. 428 Great Bend, Kansas'** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Education, others within the entity, federal awarding agencies and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

Adams, Brown, Beran & Ball, Chtd

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

November 12, 2012



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**

To the Board of Education
Unified School District No. 428 Great Bend, Kansas
Great Bend, Kansas

Compliance

We have audited **Unified School District No. 428 Great Bend, 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 **Unified School District No. 428 Great Bend, Kansas'** major federal programs for the year ended June 30, 2012. **Unified School District No. 428 Great Bend, 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 **Unified School District No. 428 Great Bend, Kansas'** management. Our responsibility is to express an opinion on **Unified School District No. 428 Great Bend, 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 *Kansas Municipal Audit Guide*; 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 State, 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 **Unified School District No. 428 Great Bend, 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 **Unified School District No. 428 Great Bend, Kansas'** compliance with those requirements.

In our opinion, **Unified School District No. 428 Great Bend, 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.

Internal Control Over Compliance

Management of **Unified School District No. 428 Great Bend, 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 **Unified School District No. 428 Great Bend, 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

Unified School District No. 428 Great Bend, Kansas

Page Two

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 **Unified School District No. 428 Great Bend, 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 management, Board of Education, others within the entity, federal awarding agencies and pass-through entities, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, and is not intended to be and should not be used by anyone other than these specified parties.

Adams, Brown, Beran & Ball, Chtd.

ADAMS, BROWN, BERAN & BALL, CHTD.

Certified Public Accountants

November 12, 2012

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: Unqualified

Internal control over financial reporting

- Material weakness identified? Yes X No
- Significant deficiency identified? Yes X None reported
- Noncompliance material to financial statements noted? Yes X No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness identified? Yes X No
- Significant deficiency identified? Yes X None reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? Yes X No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
Child Nutrition Cluster	
10.553	School Breakfast program
10.555	National School Lunch Program
10.559	Summer Food Service Program for Children

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee? X Yes No

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2012

No material findings or questioned costs for the year ended June 30, 2012 are required to be disclosed under OMB Circular A-133.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2012

No material findings or questioned costs for the year ended June 30, 2011 are required to be disclosed under OMB Circular A-133.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Education			
Passed Through State Department of Education			
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 939,808
Special Education Cluster			
Special Education - Grants to States	84.027	N/A	1,488,110
Special Education - Preschool Grants	84.173	N/A	48,675
Total Special Education Cluster			1,536,785
Migrant Education - State Grant Program	84.011	N/A	215,500
Career and Technical Education - Basic Grants to States	84.048	N/A	28,650
Twenty-First Century Community Learning Centers	84.287	N/A	144,266
English Language Acquisition State Grants	84.365	N/A	54,095
Improving Teacher Quality State Grants	84.367	N/A	155,770
Education Jobs Fund	84.410	N/A	8,935
Total U.S. Department of Education			3,083,809
U.S. Department of Agriculture			
Passed Through State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	N/A	270,034
National School Lunch Program	10.555	N/A	941,231
Summer Food Service Program for Children	10.559	N/A	21,258
Total Child Nutrition Cluster			1,232,523
Child and Adult Care Food Program	10.558	N/A	22,871
State Administrative Expenses for Child Nutrition	10.560	N/A	50
Team Nutrition Grants	10.574	N/A	325
Total U.S. Department of Agriculture			1,255,769
Total Expenditures of Federal Awards			\$ 4,339,578

See accompanying notes to schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 428 GREAT BEND, KANSAS
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 **Unified School District No. 428 Great Bend, Kansas**, and is presented on the 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 generally accepted accounting principles. 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*.