

**UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS**

**AUDIT REPORT AND
FINANCIAL STATEMENTS**

June 30, 2011

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

For the Fiscal Year Ended June 30, 2011

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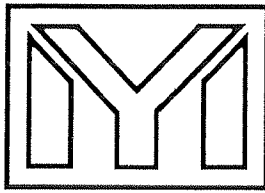
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UNIFIED SCHOOL DISTRICT NO. 436
CANEEY, KANSAS

For the Fiscal Year Ended June 30, 2011

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YERKES & MICHELS, CPA, LLC

CERTIFIED PUBLIC ACCOUNTANTS

John D. Carroll, CPA
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American Institute of Certified Public Accountants
Kansas Society of Certified Public Accountants
An Independent C.P.A. Firm

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 436
Caney, Kansas 67333

We have audited the accompanying statutory basis financial statements of the individual funds of the Unified School District No. 436, Caney, Kansas, as of and for the year ended June 30, 2011, as listed in the table of contents. These statutory basis financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these statutory basis 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 opinion.

As described in Note A-3, the School District prepared these statutory basis financial statements using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the statutory basis financial statements of the differences between the regulatory basis of accounting 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 statutory basis 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. 436, Caney, Kansas, as of June 30, 2011, or changes in financial position or cash flows thereof for the year then ended.

Also, in our opinion, the statutory basis financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of each of the various funds of Unified School District No. 436, Caney, Kansas, as of June 30, 2011, and their respective cash receipts and expenditures and budgetary results for such funds for the year then ended on the basis of accounting described in Note A-3.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the statutory basis financial statements of Unified School District No. 436 taken 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 statutory basis financial statements. The Schedule of Findings and Questioned Costs and Summary Schedule of Prior Audit Findings are presented for the purpose of additional analysis and are not a required part of the statutory basis financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the statutory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the statutory basis 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 taken as a whole, on the basis of accounting described in Note A-3.


YERKES & MICHELS, CPA, LLC

January 12, 2012

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

For the Year Ended June 30, 2011

Funds	Beginning Unencumbered Cash Balance July 1, 2010	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance June 30, 2011	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2011	Funds
General Fund	\$ 0.16		\$ 5,818,099.17	\$ 5,818,099.00	\$ 0.33	\$ 128,680.74	\$ 128,681.07	General Fund
Supplemental General Fund	52,199.15		1,059,513.27	1,060,000.00	51,712.42	165,955.95	217,668.37	Supplemental General Fund
Special Revenue Funds:								Special Revenue Funds:
Vocational Education Fund	70,426.61		300,411.31	245,116.92	125,721.00	3,495.00	129,216.00	Vocational Education Fund
Special Education Fund	476,698.31		589,514.72	667,898.28	398,314.75	-	398,314.75	Special Education Fund
Driver Training Fund	1,456.70		15,848.00	14,712.03	2,592.67	-	2,592.67	Driver Training Fund
At Risk (K-12) Fund	58,373.38		575,000.00	582,543.15	50,830.23	-	50,830.23	At Risk (K-12) Fund
At Risk (4 Yr. Old) Fund	36,005.68		40,000.00	65,046.27	10,959.41	-	10,959.41	At Risk (4 Yr. Old) Fund
Food Service Fund	115,690.75		418,435.43	430,914.78	103,211.40	47,606.83	150,818.23	Food Service Fund
Capital Outlay Fund	739,172.23		247,131.78	154,986.60	831,317.41	73,507.80	904,825.21	Capital Outlay Fund
Parent Education Fund	1,000.00		9,500.00	10,500.00	-	10,500.00	10,500.00	Parent Education Fund
Professional Development Fund	10,000.00		10,000.00	6,154.43	13,845.57	3,630.00	17,475.57	Professional Development Fund
Bilingual (ESOL) Education Fund	131.51		5,000.00	5,131.00	0.51	-	0.51	Bilingual (ESOL) Education Fund
KPERS Retirement Contribution Fund	-		274,650.92	274,650.92	-	-	-	KPERS Retirement Contribution Fund
Small Grants Fund	17,344.35		650.00	985.00	17,009.35	-	17,009.35	Small Grants Fund
Virtual Education Fund	19,551.92		80,000.00	34,229.48	65,322.44	-	65,322.44	Virtual Education Fund
Recreation Commission Fund	4,739.26		109,738.24	105,380.00	9,097.50	-	9,097.50	Recreation Commission Fund
Recreation Comm. Employee Benefit Fund	326.39		6,789.17	6,572.00	543.56	-	543.56	Recreation Emp. Comm. Benefit Fd.
Contingency Reserve Fund	607,771.54		-	-	607,771.54	-	607,771.54	Contingency Reserve Fund
Indian Education Fund	-		96,263.00	96,263.00	-	13,811.12	13,811.12	Indian Education Fund
Advanced Placement Program Fund	0.52		13,625.00	14,765.18	(1,139.66)	8,566.24	7,426.58	Advanced Placement Program Fund
Title I Fund	3,556.22		104,189.00	147,956.47	(40,211.25)	5,238.00	(34,973.25)	Title I Fund
Title I ARRA Fund	(106.68)		11,948.00	11,841.32	-	-	-	Title I ARRA Fund
Title II A - Teacher Quality Fund	(1,439.59)		40,751.00	44,788.51	(5,477.10)	-	(5,477.10)	Title II A - Teacher Quality Fund
Title II D - Ed. Tech. Fund	-		440.00	440.00	-	-	-	Title II D - Ed. Tech. Fund
Title V - Charter School 2010-11 Fund	-		177,098.00	191,642.57	(14,544.57)	7,149.04	(7,395.53)	Title V - Charter School 2010-11 Fund
Title V - Charter School 2010 Fund	(14,364.76)		23,100.00	8,735.24	-	735.60	735.60	Title V - Charter School 2010 Fund
District Activity Funds	10,755.25		139,161.15	131,835.31	18,081.09	-	18,081.09	District Activity Funds
Trust Funds:								Trust Funds:
J R Brown Scholarship Fund	18,341.02		44.28	500.00	17,885.30	-	17,885.30	J R Brown Scholarship Fund
Charles Lingle Scholarship Fund	1,363.67		4.69	250.00	1,118.36	-	1,118.36	Charles Lingle Sch. Fund
Samuel J. & Hattie Woods Scholarship Fd.	11,103.41		49.92	500.00	10,653.33	-	10,653.33	Sam J. & Hattie Woods Sch. Fd.
Debt Service Fund:								Debt Service Fund:
Bond and Interest Fund	86.14		0.53	-	86.67	-	86.67	Bond and Interest Fund
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 2,240,183.14	\$ -	\$ 10,166,956.58	\$ 10,132,437.46	\$ 2,274,702.26	\$ 468,876.32	\$ 2,743,578.58	TOTAL REPORTING ENTITY (Excluding Agency Funds)

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

For the Year Ended June 30, 2011

COMPOSITION OF CASH:

Primary Government		
Arvest Bank, Caney, Kansas		
Checking Account No. 025682 - Operating	\$ 857,935.00	
Checking Account No. 023027 - High School	57,806.42	
Checking Account No. 037281 - Elementary School	14,676.60	
Checking Account No. 13230977 - Charter School	4,594.00	
Petty Cash Checking Account No. 025690 - Board Office	1,000.00	
Petty Cash Checking Account No. 036234 - High School	1,500.00	
Petty Cash Checking Account No. 058068 - Elementary School	1,000.00	
		\$ 1,349,677.24
Money Market Account No. 14696837	\$ 1,334,405.50	
Money Market Account No. 068152	<u>15,271.74</u>	
	\$ 500,000.00	
Certificate of Deposit No. 1011840406	17,885.30	
Certificate of Deposit No. 231238195	10,653.33	
Certificate of Deposit No. 245211	1,118.36	
Certificate of Deposit No. 480940274	5,000.00	
Certificate of Deposit No. 700094129	<u>5,000.00</u>	
Certificate of Deposit No. 100194943531	\$ 539,656.99	
	\$ 2,827,846.25	
Less: Agency Funds	<u>(84,267.67)</u>	
TOTAL REPORTING ENTITY (Excluding Agency Funds)	<u>\$ 2,743,578.58</u>	

STATEMENT 2

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended June 30, 2011

Fund	Certified Budget	Adjustment to Comply With Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Under (Over)	Fund
General Fund	\$ 5,836,209.00		\$ (18,110.00)	\$ 5,818,099.00	\$ 5,818,099.00	\$ -	General
Supplemental General Fund	1,060,000.00		-	1,060,000.00	1,060,000.00	-	Supplemental General Fund
Special Revenue Funds:							Special Revenue Funds:
Vocational Education Fund	302,926.00		-	302,926.00	245,116.92	57,809.08	Vocational Education Fund
Special Education Fund	715,185.00		-	715,185.00	667,898.28	47,286.72	Special Education Fund
Driver Training Fund	17,167.00		-	17,167.00	14,712.03	2,454.97	Driver Training Fund
At Risk (K-12) Fund	633,467.00		-	633,467.00	582,543.15	50,923.85	At Risk (K-12) Fund
At Risk (4 Yr. Old) Fund	76,006.00		-	76,006.00	65,046.27	10,959.73	At Risk (4 Yr. Old) Fund
Food Service Fund	514,315.00		-	514,315.00	430,914.78	83,400.22	Food Service Fund
Capital Outlay Fund	735,000.00		-	735,000.00	154,986.60	580,013.40	Capital Outlay Fund
Parent Education Fund	10,500.00		-	10,500.00	10,500.00	-	Parent Education Fund
Professional Development Fund	19,900.00		-	19,900.00	6,154.43	13,745.57	Professional Development Fund
Bilingual (ESOL) Education Fund	5,131.00		-	5,131.00	5,131.00	-	Bilingual (ESOL) Education Fund
KPERS Retirement Contribution Fund	355,640.00		-	355,640.00	274,650.92	80,989.08	KPERS Retirement Contribution Fund
Small Grants Fund	17,344.00		-	17,344.00	985.00	16,359.00	Small Grants Fund
Virtual Education Fund	119,552.00		-	119,552.00	34,229.48	85,322.52	Virtual Education Fund
Recreation Commission Fund	105,380.00		-	105,380.00	105,380.00	-	Recreation Commission Fund
Recreation Employee Benefit Fund	6,572.00		-	6,572.00	6,572.00	-	Recreation Employee Benefit Fund

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

GENERAL FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad Valorem Tax	\$ 594,229.72	\$ 508,284.76	\$ 452,567.00	\$ 55,717.76
Delinquent Tax	15,545.82	25,178.59	13,429.00	11,749.59
Other Taxes	9,538.62	4,161.82	-	4,161.82
ARRA Stabilization Funds	275,840.00	105,552.00	105,552.00	-
ARRA Education Jobs Funds	-	184,821.00	-	184,821.00
State of Kansas – General Aid	4,363,142.00	4,542,851.00	4,799,156.00	(256,305.00)
State of Kansas - Special Education	435,936.00	447,250.00	465,505.00	(18,255.00)
TOTAL CASH RECEIPTS	\$ 5,694,232.16	\$ 5,818,099.17	\$ 5,836,209.00	\$ (18,109.83)
EXPENDITURES				
Instruction	\$ 2,317,255.90	\$ 2,355,035.85	\$ 2,731,204.00	\$ (376,168.15)
ARRA Salaries	275,840.00	290,373.00	-	290,373.00
Student Support Services	120,657.13	130,370.12	134,510.00	(4,139.88)
Instructional Support Staff	135,224.40	153,957.34	246,360.00	(92,402.66)
General Administration	213,704.45	230,309.98	234,610.00	(4,300.02)
School Administration	367,496.10	331,117.41	364,645.00	(33,527.59)
Operations and Maintenance	391,502.34	421,437.55	412,612.00	8,825.55
Other Support Services	109,181.74	161,000.88	176,188.00	(15,187.12)
Transportation	278,750.55	273,324.23	305,575.00	(32,250.77)
Architect Fees	29,893.55	2,370.00	25,000.00	(22,630.00)
Transfers	1,454,725.84	1,468,802.64	1,205,505.00	263,297.64
Adjustments to comply with Legal Max			(18,110.00)	18,110.00
TOTAL EXPENDITURES	\$ 5,694,232.00	\$ 5,818,099.00	\$ 5,818,099.00	\$ (0.00)
CASH RECEIPTS OVER (UNDER) EXPENDITURES				
	\$ 0.16	\$ 0.17		
UNENCUMBERED CASH, BEGINNING	-	0.16		
UNENCUMBERED CASH, ENDING	\$ 0.16	\$ 0.33		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

SUPPLEMENTAL GENERAL FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad Valorem Tax	\$ 437,219.16	\$ 409,410.00	\$ 368,951.00	\$ 40,459.00
Delinquent Tax	13,313.22	20,504.45	10,128.00	10,376.45
Motor Vehicle Tax	47,627.41	49,845.63	49,789.00	56.63
Recreational Vehicle Tax	925.99	945.14	834.00	111.14
Other Taxes	2,411.37	2,595.05	-	2,595.05
ARRA Stabilization Funds	152,336.00	-	-	-
State of Kansas	448,366.00	576,213.00	578,099.00	(1,886.00)
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 1,102,199.15</u>	<u>\$ 1,059,513.27</u>	<u>\$ 1,007,801.00</u>	<u>\$ 51,712.27</u>
EXPENDITURES				
Instruction	\$ 152,336.00	\$ 76,574.24	\$ 189,000.00	\$ (112,425.76)
ARRA Salaries	41,596.63	-	-	-
General Administration	77,670.72	74,781.73	81,890.00	(7,108.27)
Operations and Maintenance	288,290.21	630,406.64	369,610.00	260,796.64
Other Support Services	36,550.60	34,088.62	35,000.00	(911.38)
Transfers	453,555.84	244,148.77	384,500.00	(140,351.23)
TOTAL EXPENDITURES	<u>\$ 1,050,000.00</u>	<u>\$ 1,060,000.00</u>	<u>\$ 1,060,000.00</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 52,199.15	\$ (486.73)		
UNENCUMBERED CASH, BEGINNING	-	52,199.15		
UNENCUMBERED CASH, ENDING	<u>\$ 52,199.15</u>	<u>\$ 51,712.42</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

VOCATIONAL EDUCATION FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Transfers	\$ 310,000.00	\$ 295,797.64	\$ 232,500.00	\$ 63,297.64
SEKESC	7,832.33	4,613.67	-	4,613.67
Federal	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 317,832.33</u>	<u>\$ 300,411.31</u>	<u>\$ 232,500.00</u>	<u>\$ 67,911.31</u>
EXPENDITURES				
Instruction	\$ 250,725.88	\$ 245,116.92	\$ 302,926.00	\$ (57,809.08)
Support Services	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 250,725.88</u>	<u>\$ 245,116.92</u>	<u>\$ 302,926.00</u>	<u>\$ (57,809.08)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 67,106.45	\$ 55,294.39		
UNENCUMBERED CASH , BEGINNING	<u>3,320.16</u>	<u>70,426.61</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 70,426.61</u>	<u>\$ 125,721.00</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

SPECIAL EDUCATION FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Transfers	\$ 955,000.00	\$ 585,653.77	\$ 575,505.00	\$ 10,148.77
Miscellaneous	-	3,860.95	-	3,860.95
TOTAL CASH RECEIPTS	<u>\$ 955,000.00</u>	<u>\$ 589,514.72</u>	<u>\$ 575,505.00</u>	<u>\$ 14,009.72</u>
EXPENDITURES				
Instruction	\$ 683,607.58	\$ 667,898.28	\$ 715,185.00	\$ (47,286.72)
TOTAL EXPENDITURES	<u>\$ 683,607.58</u>	<u>\$ 667,898.28</u>	<u>\$ 715,185.00</u>	<u>\$ (47,286.72)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 271,392.42	\$ (78,383.56)		
UNENCUMBERED CASH , BEGINNING	<u>205,305.89</u>	<u>476,698.31</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 476,698.31</u>	<u>\$ 398,314.75</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

DRIVER TRAINING FUND

	Prior Year <u>Actual</u>	CURRENT YEAR		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
CASH RECEIPTS				
State of Kansas	\$ 2,850.00	\$ 3,848.00	\$ 3,710.00	\$ 138.00
Transfers	12,000.00	12,000.00	12,000.00	-
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	\$ 14,850.00	\$ 15,848.00	\$ 15,710.00	\$ 138.00
EXPENDITURES				
Instruction	\$ 14,695.29	\$ 14,712.03	\$ 17,167.00	\$ (2,454.97)
Vehicle Operations	66.43	-	-	-
TOTAL EXPENDITURES	\$ 14,761.72	\$ 14,712.03	\$ 17,167.00	\$ (2,454.97)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 88.28	\$ 1,135.97		
UNENCUMBERED CASH , BEGINNING	<u>1,368.42</u>	<u>1,456.70</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 1,456.70</u>	<u>\$ 2,592.67</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

AT RISK (K-12) FUND

	Prior Year <u>Actual</u>	CURRENT YEAR		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
CASH RECEIPTS				
Transfers	\$ 455,000.00	\$ 575,000.00	\$ 575,000.00	\$ -
TOTAL CASH RECEIPTS	<u>\$ 455,000.00</u>	<u>\$ 575,000.00</u>	<u>\$ 575,000.00</u>	<u>\$ -</u>
EXPENDITURES				
Instruction	\$ 471,863.88	\$ 582,543.15	\$ 633,467.00	\$ (50,923.85)
TOTAL EXPENDITURES	<u>\$ 471,863.88</u>	<u>\$ 582,543.15</u>	<u>\$ 633,467.00</u>	<u>\$ (50,923.85)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (16,863.88)	\$ (7,543.15)		
UNENCUMBERED CASH , BEGINNING	<u>75,237.26</u>	<u>58,373.38</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 58,373.38</u>	<u>\$ 50,830.23</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

AT RISK (4 Yr. Old) FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Transfers	\$ 100,000.00	\$ 40,000.00	\$ 40,000.00	\$ -
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 100,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ -</u>
EXPENDITURES				
Support Services	\$ 64,096.48	\$ 65,046.27	\$ 76,006.00	\$ (10,959.73)
TOTAL EXPENDITURES	<u>\$ 64,096.48</u>	<u>\$ 65,046.27</u>	<u>\$ 76,006.00</u>	<u>\$ (10,959.73)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 35,903.52	\$ (25,046.27)		
UNENCUMBERED CASH , BEGINNING	<u>102.16</u>	<u>36,005.68</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 36,005.68</u>	<u>\$ 10,959.41</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

FOOD SERVICE FUND

	Prior Year <u>Actual</u>	<u>CURRENT YEAR</u>		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
CASH RECEIPTS				
Food Service	\$ 149,993.89	\$ 137,635.65	\$ 146,630.00	\$ (8,994.35)
State of Kansas	5,308.41	5,205.43	4,288.00	917.43
Federal Funds	262,124.28	274,324.88	255,167.00	19,157.88
Transfers	18,995.00	-	30,000.00	(30,000.00)
Miscellaneous	1,431.44	1,269.47	1,000.00	269.47
TOTAL CASH RECEIPTS	\$ 437,853.02	\$ 418,435.43	\$ 437,085.00	\$ (18,649.57)
EXPENDITURES				
Operation and Maintenance	\$ 26,261.96	\$ 27,776.05	\$ 28,190.00	\$ (413.95)
Food Service Operation	435,545.04	403,138.73	486,125.00	(82,986.27)
TOTAL EXPENDITURES	\$ 461,807.00	\$ 430,914.78	\$ 514,315.00	\$ (83,400.22)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (23,953.98)	\$ (12,479.35)		
UNENCUMBERED CASH , BEGINNING	139,644.73	115,690.75		
UNENCUMBERED CASH, ENDING	\$ 115,690.75	\$ 103,211.40		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

CAPITAL OUTLAY FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Interest on Investments	\$ 16,454.35	\$ 6,897.50	\$ 17,895.00	\$ (10,997.50)
Transfers	-	100,000.00	-	100,000.00
Miscellaneous	71,387.43	140,234.28	80,000.00	60,234.28
TOTAL CASH RECEIPTS	<u>\$ 87,841.78</u>	<u>\$ 247,131.78</u>	<u>\$ 97,895.00</u>	<u>\$ 149,236.78</u>
EXPENDITURES				
Building Repair	\$ 65,595.53	\$ 12,611.99	\$ -	\$ 12,611.99
Support Services Equipment	79,252.50	142,374.61	735,000.00	(592,625.39)
Site Improvement	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 144,848.03</u>	<u>\$ 154,986.60</u>	<u>\$ 735,000.00</u>	<u>\$ (580,013.40)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (57,006.25)	\$ 92,145.18		
UNENCUMBERED CASH , BEGINNING	<u>796,178.48</u>	<u>739,172.23</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 739,172.23</u>	<u>\$ 831,317.41</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

PARENT EDUCATION FUND

	Prior Year <u>Actual</u>	<u>CURRENT YEAR</u>		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
CASH RECEIPTS				
Transfers	\$ 9,600.00	\$ 9,500.00	\$ 10,000.00	\$ (500.00)
TOTAL CASH RECEIPTS	<u>\$ 9,600.00</u>	<u>\$ 9,500.00</u>	<u>\$ 10,000.00</u>	<u>\$ (500.00)</u>
EXPENDITURES				
Student Support Services	\$ 9,100.00	\$ 10,500.00	\$ 10,500.00	\$ -
TOTAL EXPENDITURES	<u>\$ 9,100.00</u>	<u>\$ 10,500.00</u>	<u>\$ 10,500.00</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 500.00	\$ (1,000.00)		
UNENCUMBERED CASH , BEGINNING	<u>500.00</u>	<u>1,000.00</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 1,000.00</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

PROFESSIONAL DEVELOPMENT FUND

	Prior Year <u>Actual</u>	<u>CURRENT YEAR</u>		Variance Over <u>(Under)</u>
		<u>Actual</u>	<u>Budget</u>	
CASH RECEIPTS				
Transfers	\$ 11,795.17	\$ 10,000.00	\$ 10,000.00	\$ -
State Aid	672.00	-	-	-
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 12,467.17</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ -</u>
EXPENDITURES				
Instructional Support	\$ 5,419.92	\$ 6,154.43	\$ 19,900.00	\$ (13,745.57)
TOTAL EXPENDITURES	<u>\$ 5,419.92</u>	<u>\$ 6,154.43</u>	<u>\$ 19,900.00</u>	<u>\$ (13,745.57)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 7,047.25	\$ 3,845.57		
UNENCUMBERED CASH , BEGINNING	<u>2,952.75</u>	<u>10,000.00</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 10,000.00</u>	<u>\$ 13,845.57</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

BILINGUAL (ESOL) EDUCATION FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Transfers	\$ 500.00	\$ 5,000.00	\$ 5,000.00	\$ -
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 500.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ -</u>
EXPENDITURES				
Instructional	\$ 4,161.75	\$ 5,131.00	\$ 5,131.00	\$ -
TOTAL EXPENDITURES	<u>\$ 4,161.75</u>	<u>\$ 5,131.00</u>	<u>\$ 5,131.00</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (3,661.75)	\$ (131.00)		
UNENCUMBERED CASH , BEGINNING	<u>3,793.26</u>	<u>131.51</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 131.51</u>	<u>\$ 0.51</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

KPERS RETIREMENT CONTRIBUTION FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
State of Kansas	\$ 318,960.79	\$ 274,650.92	\$ 355,640.00	\$ (80,989.08)
Miscellaneous				-
TOTAL CASH RECEIPTS	<u>\$ 318,960.79</u>	<u>\$ 274,650.92</u>	<u>\$ 355,640.00</u>	<u>\$ (80,989.08)</u>
EXPENDITURES				
KPERS Contributions	<u>\$ 318,960.79</u>	<u>\$ 274,650.92</u>	<u>\$ 355,640.00</u>	<u>\$ (80,989.08)</u>
TOTAL EXPENDITURES	<u>\$ 318,960.79</u>	<u>\$ 274,650.92</u>	<u>\$ 355,640.00</u>	<u>\$ (80,989.08)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ -		
UNENCUMBERED CASH , BEGINNING	-	-		
UNENCUMBERED CASH, ENDING	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

SMALL GRANTS FUND

	Prior Year <u>Actual</u>	CURRENT YEAR		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
CASH RECEIPTS				
Grant Revenue	\$ 900.00	\$ 650.00	\$ -	\$ 650.00
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	<u>\$ 900.00</u>	<u>\$ 650.00</u>	<u>\$ -</u>	<u>\$ 650.00</u>
EXPENDITURES				
Instruction	\$ 933.10	\$ 985.00	\$ 17,344.00	\$ (16,359.00)
Miscellaneous	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 933.10</u>	<u>\$ 985.00</u>	<u>\$ 17,344.00</u>	<u>\$ (16,359.00)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (33.10)	\$ (335.00)		
UNENCUMBERED CASH , BEGINNING	<u>17,377.45</u>	<u>17,344.35</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 17,344.35</u>	<u>\$ 17,009.35</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

VIRTUAL EDUCATION FUND

	Prior Year <u>Actual</u>	<u>CURRENT YEAR</u>		Variance Over <u>(Under)</u>
		<u>Actual</u>	<u>Budget</u>	
CASH RECEIPTS				
Transfers	\$ 35,391.51	\$ 80,000.00	\$ 100,000.00	\$ (20,000.00)
Miscellaneous	-	-	-	-
TOTAL CASH RECEIPTS	\$ 35,391.51	\$ 80,000.00	\$ 100,000.00	\$ (20,000.00)
EXPENDITURES				
Instruction	\$ 13,786.98	\$ 34,229.48	\$ 119,552.00	\$ (85,322.52)
Operation & Maintenance	4,200.00	-	-	-
TOTAL EXPENDITURES	\$ 17,986.98	\$ 34,229.48	\$ 119,552.00	\$ (85,322.52)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 17,404.53	\$ 45,770.52		
UNENCUMBERED CASH , BEGINNING	2,147.39	19,551.92		
UNENCUMBERED CASH, ENDING	<u>\$ 19,551.92</u>	<u>\$ 65,322.44</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

RECREATION COMMISSION FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad Valorem Tax	\$ 94,396.85	\$ 92,692.22	\$ 86,698.00	\$ 5,994.22
Delinquent Tax	3,124.94	4,633.37	2,170.00	2,463.37
Motor Vehicle Tax	11,146.87	11,568.65	11,579.00	(10.35)
Recreational Vehicle Tax	217.11	219.64	194.00	25.64
Other Taxes	554.49	624.36	-	624.36
			-	
TOTAL CASH RECEIPTS	<u>\$ 109,440.26</u>	<u>\$ 109,738.24</u>	<u>\$ 100,641.00</u>	<u>\$ 9,097.24</u>
EXPENDITURES				
Community Service Operations	<u>\$ 104,701.00</u>	<u>\$ 105,380.00</u>	<u>\$ 105,380.00</u>	<u>\$ -</u>
TOTAL EXPENDITURES	<u>\$ 104,701.00</u>	<u>\$ 105,380.00</u>	<u>\$ 105,380.00</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 4,739.26	\$ 4,358.24		
UNENCUMBERED CASH , BEGINNING	-	4,739.26		
UNENCUMBERED CASH, ENDING	<u>\$ 4,739.26</u>	<u>\$ 9,097.50</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

RECREATION COMMISSION EMPLOYEE BENEFIT FUND

	Prior Year Actual	CURRENT YEAR		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad Valorem Tax	\$ 5,956.68	\$ 5,860.51	\$ 5,490.00	\$ 370.51
Delinquent Tax	167.31	275.79	139.00	136.79
Motor Vehicle Tax	654.43	610.82	607.00	3.82
Recreational Vehicle Tax	12.59	11.54	10.00	1.54
Other Taxes	35.38	30.51	-	30.51
TOTAL CASH RECEIPTS	<u>\$ 6,826.39</u>	<u>\$ 6,789.17</u>	<u>\$ 6,246.00</u>	<u>\$ 543.17</u>
EXPENDITURES				
Community Service Operations	\$ 6,500.00	\$ 6,572.00	\$ 6,572.00	\$ -
TOTAL EXPENDITURES	<u>\$ 6,500.00</u>	<u>\$ 6,572.00</u>	<u>\$ 6,572.00</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 326.39	\$ 217.17		
UNENCUMBERED CASH , BEGINNING	-	326.39		
UNENCUMBERED CASH, ENDING	<u>\$ 326.39</u>	<u>\$ 543.56</u>		

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

CONTINGENCY RESERVE FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Transfer	\$ -	\$ -
TOTAL CASH RECEIPTS	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES		
Operations and Maintenance	\$ -	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ -
UNENCUMBERED CASH , BEGINNING	<u>607,771.54</u>	<u>607,771.54</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 607,771.54</u></u>	<u><u>\$ 607,771.54</u></u>

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

INDIAN EDUCATION FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Grant	\$ 95,882.00	\$ 96,250.00
Miscellaneous	-	13.00
	<u> </u>	<u> </u>
TOTAL CASH RECEIPTS	<u>\$ 95,882.00</u>	<u>\$ 96,263.00</u>
EXPENDITURES		
Instruction	\$ 88,653.00	\$ 96,263.00
	<u> </u>	<u> </u>
TOTAL EXPENDITURES	<u>\$ 88,653.00</u>	<u>\$ 96,263.00</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 7,229.00	\$ -
UNENCUMBERED CASH , BEGINNING	<u>(7,229.00)</u>	<u>-</u>
UNENCUMBERED CASH, ENDING	<u>\$ -</u>	<u>\$ -</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

ADVANCED PLACEMENT PROGRAM FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Grant	\$ 7,393.00	\$ 13,625.00
Miscellaneous	<u>-</u>	<u>-</u>
TOTAL CASH RECEIPTS	<u>\$ 7,393.00</u>	<u>\$ 13,625.00</u>
EXPENDITURES		
Instruction	<u>\$ 7,194.26</u>	<u>\$ 14,765.18</u>
TOTAL EXPENDITURES	<u>\$ 7,194.26</u>	<u>\$ 14,765.18</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 198.74	\$ (1,140.18)
UNENCUMBERED CASH , BEGINNING	<u>(198.22)</u>	<u>0.52</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 0.52</u></u>	<u><u>\$ (1,139.66)</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

	<u>TITLE I FUND</u>	
	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Aid	\$ 153,024.00	\$ 82,461.00
Transfers	-	21,728.00
	<u> </u>	<u> </u>
TOTAL CASH RECEIPTS	<u>\$ 153,024.00</u>	<u>\$ 104,189.00</u>
EXPENDITURES		
Instruction	\$ 147,830.90	\$ 147,956.47
	<u> </u>	<u> </u>
TOTAL EXPENDITURES	<u>\$ 147,830.90</u>	<u>\$ 147,956.47</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 5,193.10	\$ (43,767.47)
UNENCUMBERED CASH , BEGINNING	<u>(1,636.88)</u>	<u>3,556.22</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 3,556.22</u></u>	<u><u>\$ (40,211.25)</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

TITLE I ARRA FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Aid	\$ 70,994.00	\$ 11,948.00
TOTAL CASH RECEIPTS	<u>\$ 70,994.00</u>	<u>\$ 11,948.00</u>
EXPENDITURES		
Instruction	\$ 71,100.68	\$ 11,841.32
TOTAL EXPENDITURES	<u>\$ 71,100.68</u>	<u>\$ 11,841.32</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (106.68)	\$ 106.68
UNENCUMBERED CASH , BEGINNING	<u>-</u>	<u>(106.68)</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ (106.68)</u></u>	<u><u>\$ 0.00</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

TITLE II A - TEACHER QUALITY FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Aid	\$ 23,958.00	\$ 40,751.00
TOTAL CASH RECEIPTS	<u>\$ 23,958.00</u>	<u>\$ 40,751.00</u>
EXPENDITURES		
Instruction	\$ 20,983.46	\$ 23,280.51
Transfers	-	21,508.00
TOTAL EXPENDITURES	<u>\$ 20,983.46</u>	<u>\$ 44,788.51</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ 2,974.54	\$ (4,037.51)
UNENCUMBERED CASH , BEGINNING	<u>(4,414.13)</u>	<u>(1,439.59)</u>
UNENCUMBERED CASH, ENDING	<u>\$ (1,439.59)</u>	<u>\$ (5,477.10)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

TITLE II D - EDUCATION TECH. FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Aid	\$ 568.00	\$ 440.00
	<hr/>	<hr/>
TOTAL CASH RECEIPTS	\$ 568.00	\$ 440.00
	<hr/>	<hr/>
EXPENDITURES		
Instruction	\$ 568.00	\$ 220.00
Transfers	<hr/>	<hr/>
	<hr/>	<hr/>
TOTAL EXPENDITURES	\$ 568.00	\$ 440.00
	<hr/>	<hr/>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ -
	<hr/>	<hr/>
UNENCUMBERED CASH , BEGINNING	-	-
	<hr/>	<hr/>
UNENCUMBERED CASH, ENDING	<u>\$ -</u>	<u>\$ -</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

TITLE V - CHARTER SCHOOL 2010-11 FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Aid	\$ -	\$ 177,098.00
TOTAL CASH RECEIPTS	<u>\$ -</u>	<u>\$ 177,098.00</u>
EXPENDITURES		
Instructional	\$ -	\$ 191,642.57
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 191,642.57</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ -	\$ (14,544.57)
UNENCUMBERED CASH , BEGINNING	<u>-</u>	<u>-</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ -</u></u>	<u><u>\$ (14,544.57)</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

TITLE V - CHARTER SCHOOL 2010 FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Federal Aid	\$ 131,900.00	\$ 23,100.00
TOTAL CASH RECEIPTS	<u>\$ 131,900.00</u>	<u>\$ 23,100.00</u>
EXPENDITURES		
Instructional	\$ 114,360.37	\$ 8,735.24
Administration	<u>31,904.39</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 146,264.76</u>	<u>\$ 8,735.24</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (14,364.76)	\$ 14,364.76
UNENCUMBERED CASH , BEGINNING	<u>-</u>	<u>(14,364.76)</u>
UNENCUMBERED CASH, ENDING	<u>\$ (14,364.76)</u>	<u>\$ (0.00)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

J. R. BROWN SCHOLARSHIP FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Interest Earned	\$ 250.53	\$ 44.28
TOTAL CASH RECEIPTS	<u>\$ 250.53</u>	<u>\$ 44.28</u>
EXPENDITURES		
Scholarships	\$ 500.00	\$ 500.00
TOTAL EXPENDITURES	<u>\$ 500.00</u>	<u>\$ 500.00</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (249.47)	\$ (455.72)
UNENCUMBERED CASH , BEGINNING	<u>18,590.49</u>	<u>18,341.02</u>
UNENCUMBERED CASH, ENDING	<u>\$ 18,341.02</u>	<u>\$ 17,885.30</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

CHARLES LINGLE SCHOLARSHIP FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Interest Earned	\$ 12.78	\$ 4.69
TOTAL CASH RECEIPTS	<u>\$ 12.78</u>	<u>\$ 4.69</u>
EXPENDITURES		
Scholarships	\$ 250.00	\$ 250.00
TOTAL EXPENDITURES	<u>\$ 250.00</u>	<u>\$ 250.00</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (237.22)	\$ (245.31)
UNENCUMBERED CASH , BEGINNING	<u>1,600.89</u>	<u>1,363.67</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 1,363.67</u></u>	<u><u>\$ 1,118.36</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

SAMUEL B. AND HATTIE C. WOODS SCHOLARSHIP FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
Interest Earned	\$ 97.11	\$ 49.92
Donations	<u>-</u>	<u>-</u>
TOTAL CASH RECEIPTS	<u>\$ 97.11</u>	<u>\$ 49.92</u>
EXPENDITURES		
Scholarships	<u>\$ 200.00</u>	<u>\$ 500.00</u>
TOTAL EXPENDITURES	<u>\$ 200.00</u>	<u>\$ 500.00</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	\$ (102.89)	\$ (450.08)
UNENCUMBERED CASH , BEGINNING	<u>11,206.30</u>	<u>11,103.41</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 11,103.41</u></u>	<u><u>\$ 10,653.33</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

For the Year Ended June 30, 2011

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2010)

BOND AND INTEREST FUND

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
CASH RECEIPTS		
County Taxes	\$ -	\$ 0.53
Miscellaneous	<u> </u>	<u> </u>
TOTAL CASH RECEIPTS	<u>\$ -</u>	<u>\$ 0.53</u>
 EXPENDITURES		
Fund Expenses	<u>\$ -</u>	<u>\$ -</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>
 CASH RECEIPTS OVER (UNDER) EXPENDITURES	 \$ -	 \$ 0.53
 UNENCUMBERED CASH , BEGINNING	 <u>86.14</u>	 <u>86.14</u>
UNENCUMBERED CASH, ENDING	<u>\$ 86.14</u>	<u>\$ 86.67</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

AGENCY FUNDS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

For the Year Ended June 30, 2011

Fund	Beginning Unencumbered Cash Balance July 1, 2010	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance June 30, 2011	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2011	Fund
HIGH SCHOOL								HIGH SCHOOL
Anime Club	\$ 553.36	\$ -	\$ 45.00	\$ -	\$ 598.36	\$ -	\$ 598.36	Anime Club
Art Club	1.90	-	-	1.90	-	-	-	Art Club
At Risk	4,809.14	-	3,096.77	3,249.72	4,656.19	-	4,656.19	At Risk
Bullpup Club	107.59	-	-	107.59	-	-	-	Bullpup Club
Bullpup Observer	3,304.65	-	854.00	2,335.34	1,823.31	-	1,823.31	Bullpup Observer
Class of 2010	149.97	-	-	149.97	-	-	-	Class of 2010
Class of 2011	3,226.08	-	556.00	3,031.26	750.82	-	750.82	Class of 2011
Class of 2012	3,194.29	-	8,597.45	9,817.64	1,974.10	-	1,974.10	Class of 2012
Class of 2013	2,230.81	-	1,560.54	518.17	3,273.18	-	3,273.18	Class of 2013
Class of 2014	1,609.41	-	906.62	276.92	2,239.11	-	2,239.11	Class of 2014
Class of 2015	282.62	-	1,234.39	432.13	1,084.88	-	1,084.88	Class of 2015
Class of 2016	-	-	1,638.47	518.74	1,118.73	-	1,118.73	Class of 2016
Color Guard	473.25	-	1,606.36	1,062.25	1,017.36	-	1,017.36	Color Guard
Debate - Forensics	339.22	-	2,336.90	1,279.53	1,396.59	-	1,396.59	Debate - Forensics
Equus Club	151.39	-	-	-	151.39	-	151.39	Equus Club
F.B.L.A.	369.27	-	-	-	369.27	-	369.27	F.B.L.A.
F.C.A. - Senior	61.29	-	1,164.77	1,196.62	29.44	-	29.44	F.C.A. - Senior
F.F.A.	881.83	-	63,657.33	58,720.52	5,818.64	-	5,818.64	F.F.A.
F.C.C.L.A.	23.18	-	2,752.36	2,741.39	34.15	-	34.15	F.C.C.L.A.
Greenhouse Class	3,699.61	-	-	3,699.61	-	-	-	Greenhouse Class
Senior Cheerleaders	1,760.19	-	11,620.78	11,205.77	2,195.20	-	2,195.20	Senior Cheerleaders
Industrial Arts	68.41	-	-	68.41	-	-	-	Industrial Arts
Junior High Cheerleaders	2,405.84	-	-	2,243.73	162.11	-	162.11	Junior High Cheerleaders
Junior High Fishing Club	146.13	-	-	146.13	-	-	-	Junior High Fishing Club
Junior High Target	114.53	-	-	114.53	-	-	-	Junior High Target
Kane-Kan	6,032.59	-	21,953.86	19,432.49	8,553.96	-	8,553.96	Kane-Kan
Kays - Senior	1,002.20	-	-	1,002.20	-	-	-	Kays - Senior
Kays - Junior	258.39	-	-	258.39	-	-	-	Kays - Junior
Library Store	1,132.24	-	816.50	225.00	1,723.74	-	1,723.74	Library Store
NASA	100.00	-	-	-	100.00	-	100.00	NASA
National Honor Society	84.33	-	-	-	84.33	-	84.33	National Honor Society
Music	9,450.84	-	10,899.51	7,950.32	12,400.03	-	12,400.03	Music
PAWS	795.00	-	1,487.00	1,544.18	737.82	-	737.82	PAWS
Photography	1,108.27	-	585.00	825.39	867.88	-	867.88	Photography
Playmakers	2,891.94	-	1,270.05	1,191.48	2,970.51	-	2,970.51	Playmakers
Robotics	10.00	-	-	-	10.00	-	10.00	Robotics
Scholars Bowl	174.41	-	61.00	189.50	45.91	-	45.91	Scholars Bowl
Spanish Club	498.33	-	-	498.33	-	-	-	Spanish Club
Student Council - Junior High	-	-	1,031.26	272.48	758.78	-	758.78	Student Council - Junior High
Student Council - Senior High	2,301.81	-	5,731.24	2,603.31	5,429.74	-	5,429.74	Student Council - Senior High
Teacher Pop/Flower	672.34	-	2,258.72	1,488.89	1,442.17	-	1,442.17	Teacher Pop/Flower
Wellness Program	2,400.31	-	2,755.35	3,976.29	1,179.37	-	1,179.37	Wellness Program
SUB-TOTAL HIGH SCHOOL	\$ 58,896.96	\$ -	\$ 150,477.23	\$ 144,377.12	\$ 64,997.07	\$ -	\$ 64,997.07	SUB-TOTAL HIGH SCHOOL

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS
AGENCY FUNDS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

For the Year Ended June 30, 2011

Fund	Beginning Unencumbered Cash Balance July 1, 2010	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance June 30, 2011	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2011	Fund
ELEMENTARY SCHOOL								
Library	\$ 568.34	\$ -	\$ 365.45	\$ 362.09	\$ 571.70	\$ -	\$ 571.70	Annual
Music	903.50	-	253.00	-	1,156.50	-	1,156.50	Music
Band	-	-	112.00	43.72	68.28	-	68.28	Band
Books	81.61	-	3.00	-	84.61	-	84.61	Books
Student Council	9,646.09	-	8,376.94	5,227.52	12,795.51	-	12,795.51	Student Council
SUBTOTAL ELEMENTARY SCHOOL	\$ 11,199.54	\$ -	\$ 9,110.39	\$ 5,633.33	\$ 14,676.60	\$ -	\$ 14,676.60	SUBTOTAL ELEMENTARY SCHOOL
CHARTER SCHOOL								
Graphics Class	\$ 3,019.87	\$ -	\$ 5,669.04	\$ 4,094.91	\$ 4,594.00	\$ -	\$ 4,594.00	Graphics Class
SUBTOTAL CHARTER SCHOOL	\$ 3,019.87	\$ -	\$ 5,669.04	\$ 4,094.91	\$ 4,594.00	\$ -	\$ 4,594.00	SUBTOTAL CHARTER SCHOOL
TOTAL AGENCY FUNDS	\$ 73,116.37	\$ -	\$ 165,256.66	\$ 154,105.36	\$ 84,267.67	\$ -	\$ 84,267.67	TOTAL AGENCY FUNDS

STATEMENT 5

UNIFIED SCHOOL DISTRICT NO. 436
Caney, KANSAS

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

For the Year Ended June 30, 2011

DISTRICT ACTIVITY FUNDS

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Cash Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance	Fund
User Fees							
Book Fees	\$ -	\$ 116.25	\$ 116.25	\$ -	\$ -	\$ -	User Fees
Drivers Ed	-	5,522.00	5,522.00	-	-	-	Book Fees
Gym Suits	-	1,656.00	1,656.00	-	-	-	Drivers Ed
Indust. Arts	-	1,374.76	1,374.76	-	-	-	Gym Suits
Library Media	-	188.42	188.42	-	-	-	Indust. Arts
Meal Accounts	-	65,187.16	65,187.16	-	-	-	Library Media
Lab Fees	-	1,900.00	1,900.00	-	-	-	Meal Accounts
Gate Receipts							Lab Fees
Athletics	7,910.19	34,041.60	29,911.83	12,039.96	-	12,039.96	
Basketball - Girls	236.00	350.00	400.00	186.00	-	186.00	
Softball	14.13	2,578.05	1,971.59	620.59	-	620.59	Softball
Golf	435.28	2,632.75	2,170.54	897.49	-	897.49	Golf
Baseball	299.16	1,366.90	910.69	755.37	-	755.37	Baseball
Cross Country	53.28	90.00	104.00	39.28	-	39.28	Cross Country
Volleyball	700.05	892.17	628.12	964.10	-	964.10	Volleyball
Wrestling	148.48	110.00	9.13	249.35	-	249.35	Wrestling
Weight Lifting	47.75	-	-	47.75	-	47.75	Weight Lifting
Concessions	178.14	13,805.26	13,084.07	899.33	-	899.33	Concessions
JH TVL	100.64	-	100.64	-	-	-	JH TVL
Activity Meals	632.15	7,349.83	6,600.11	1,381.87	-	1,381.87	Activity Meals
Total District Activity Funds	\$ 10,755.25	\$ 139,161.15	\$ 131,835.31	\$ 18,081.09	\$ -	\$ 18,081.09	Total District Activity Funds

UNIFIED SCHOOL DISTRICT NO. 436
CANEEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. REPORTING ENTITY

Unified School District No. 436 is a municipal corporation governed by an elected seven-member board. These financial statements present USD No. 436.

The District's summary of cash receipts, cash disbursements and unencumbered cash includes the accounts of all District operations. The District's major operations include primary and secondary education of young people in the Caney, Kansas school district. The scope of the entity for financial reporting purposes is designed as those funds for which the District has oversight responsibility and is primarily accountable. Oversight responsibility includes budgetary authority and fiscal management responsibility. Budgetary authority is defined as authority for final approval of budgetary appropriations and revisions. Fiscal management responsibility is control of the collection and disbursement of funds.

2. BASIS OF PRESENTATION - FUND ACCOUNTING

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

The following types of funds comprise the financial activities of Unified School District 436, Caney, Kansas, for the year ended June 30, 2011.

Governmental Funds:

General Fund – to account for all unrestricted resources except those required to be accounted for in another fund.

Special Revenue Funds – to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Debt Service Funds – to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt, and the financing of special assessments which are general obligations of Unified School District 436, Caney, Kansas.

Fiduciary Funds:

Trust Funds – to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (a) Expendable Trust Funds, (b) Nonexpendable Trust Funds, and (c) Pension Trust Funds.

3. BASIS OF ACCOUNTING

Statutory Basis of Accounting. The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased except as disclosed below. 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 expenditure would be charged in the fund from which the transfer is made.

The Kansas Legislature passed a law [KSA 72-64176(d) and KSA 72-6434(d)] requiring all school districts to record, as received by June 30 of each fiscal year, all required state aid distributions for that year made by the Kansas Department of Education regardless of when received by the School District. For the current audit period, the State of Kansas did not make its final state aid distribution until July 7, 2011 in the amount of \$568,172.00, and the District recorded this as a June 30, 2011 receipt. Under accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, this money should have been receipted in the fiscal year ended June 30, 2012.

The District passed a Resolution dated July 12, 2010 to waive the annual requirement of generally accepted accounting principles and fixed asset accounting for the year ended June 30, 2011, in conformity with K.S. A. 75-1120a (c)(1), and allowing the District to use the statutory basis of accounting.

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

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

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
- c. Public hearing on or before August 15th, but at least ten 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 ten days after publication the hearing may be held and the governing body may amend the budget at that time. The General Fund budget was amended during the year ended June 30, 2011.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

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. Revenues are recognized when cash is received except as described in Footnote A-3. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unused budget expenditure authority lapses at year-end.

A legal operating budget is not required for Trust Funds and the following Special Revenue Funds:

- Contingency Reserve Fund
- Indian Education Fund
- Advanced Placement Program Fund
- Title I Fund
- Title I – ARRA Fund
- Title II A - Teacher Quality Fund
- Title II D - Education Tech. Fund
- Title V – Charter School 2010-11 Fund
- Title V – Charter School 2010 Fund
- District Activity Funds

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

2. COMPLIANCE WITH KANSAS STATUTES AND OTHER FINANCE RELATED LEGAL MATTERS

Management of the District is not aware of any violations of compliance with Kansas Statutes or violations of other finance related legal matters.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE C - DEPOSITS AND INVESTMENTS

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the

Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits of the primary government were legally secured at June 30, 2011.

At year-end the carrying amount of the District's (primary government's) deposits, including certificates of deposit, was \$2,827,846.25. The bank balance and certificates of deposit was \$2,833,245.01. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. The bank balance was held by one bank, resulting in a concentration of credit risk; however, certificates of deposit totaling \$500,000.00 have been issued through the Certificate of Deposit Account Registry Service (CDARS). Of the total balance \$750,000.00 was covered by FDIC insurance, \$2,083,245.01 was collateralized by pledged securities held by the pledging financial institution's agents in the District's name.

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

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.

At June 30, 2011, the District had no investments.

NOTE D - INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Vocational Education	K.S.A. 72-6428	\$ 243,297.64
General	Special Education	K.S.A. 72-6428	565,505.00
General	Bilingual Education	K.S.A. 72-6428	5,000.00
General	Professional Development	K.S.A. 72-6428	10,000.00
General	Virtual Education	K.S.A. 72-6428	80,000.00
General	At Risk (K-12)	K.S.A. 72-6428	445,000.00
General	At Risk (4-Yr. Old)	K.S.A. 72-6428	20,000.00
General	Capital Outlay	K.S.A. 72-6428	100,000.00
Supplemental General	Special Education	K.S.A. 72-6428	20,148.77
Supplemental General	At Risk (4-Yr. Old)	K.S.A. 72-6428	20,000.00
Supplemental General	At Risk (K-12)	K.S.A. 72-6428	130,000.00
Supplemental General	Parent Education	K.S.A. 72-6428	9,500.00
Supplemental General	Driver Training	K.S.A. 72-6428	12,000.00
Supplemental General	Vocational Education	K.S.A. 72-6428	52,500.00
Title IIA	Title I	K.S.A. 72-6428	21,508.00
Title IID	Title I	K.S.A. 72-6428	220.00

NOTE E - LONG TERM DEBT AND CAPITAL LEASES

During the year ended June 30, 2011, no long-term debt was outstanding.

UNIFIED SCHOOL DISTRICT NO. 436
CANEEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE F - RISK MANAGEMENT

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

PLAN NOTE G - DEFINED BENEFIT PENSION

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

Funding policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. Members-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas currently contributes 9.17% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010, and 2009 were \$253,834,044, \$248,848,186, and \$242,277,363, respectively, equal to the required contributions as set forth by the State legislature each year. The amounts attributable to the District for the years ending June 30, 2011, 2010, and 2009 were \$274,651, \$318,961, and \$307,668.

NOTE H – FLEXIBLE BENEFIT PLAN (I.R.C. SECTION 125)

The Board adopted a salary-reduction flexible benefit plan under Section 125 of the Internal Revenue Code. All full time employees of the District are eligible to participate in the plan beginning the first day of the month following employment. Each employee may elect to reduce his or her salary to purchase benefits through the plan. Currently benefits offered through the plan involve health insurance, cancer insurance, and advantage disability insurance.

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE I – OTHER POST EMPLOYMENT BENEFITS

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

NOTE J - COMPENSATED ABSENCES

EMPLOYEE VACATION AND SICK PAY

All non-certified employees plus the Superintendent rendering service throughout the entire year are eligible for vacation benefits varying from one (1) week vacation to four (4) weeks vacation. Vacation benefits are determined based on years of employment. Unused vacation earned during the current year may be carried past June 30, but must be used by the following December 31st. After this date, the leave will be forfeited.

Each employee is entitled to one (1) day of sick leave for each month contracted plus one day. Unused sick leave may accumulate to 50 days. The Board of Education will pay 100% of the substitute teacher rate for loss of sick leave over 50 days. This amount will be paid in June based on the current year's substitute rate for full time employees. Upon retirement, if the employee has ten (10) years of continuous service to the School District and qualifies for KPERS Retirement, the Board of Education will purchase unused sick leave at a rate based on 100% of the substitute teachers' rate of pay.

All full time personnel shall be entitled to three (3) days personal leave with pay per year. The three days shall be used at the discretion of each employee, except that personal leave shall be limited during the last two weeks of school and the duty day before or after a holiday. At the end of the year, classified staff and special services employees will be compensated for unused personal leave at the substitute daily pay rate. Payment will be included in the June payroll. Personal leave will not accumulate.

The liability for accrued vacation and sick pay is not reflected on the financial statements. Neither the actual or estimated amount of the liability could be reasonably estimated at June 30, 2011. The cost of vacation and sick pay are recognized as expenditures when paid.

UNIFIED SCHOOL DISTRICT NO. 436
CANEEY, KANSAS

NOTES TO FINANCIAL STATEMENTS

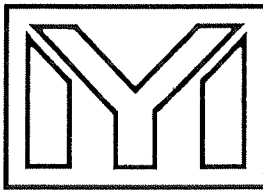
June 30, 2011

NOTE K – USE OF ESTIMATES

The preparation of statutory basis financial statements required management to make estimates and assumptions that affect the reported amounts of expenditures during the audit period, encumbrances outstanding and disclosure of contingencies at the end of the audit period. Actual results could differ from the estimates.

NOTE L – CONTINGENT LIABILITIES

Management of the District and its Legal Counsel are not aware of any litigation involving the District at this time.



YERKES & MICHELS, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANTS

John D. Carroll, CPA
Carmen R. Duroni, CPA

Randy Hoffman

American Institute of Certified Public Accountants
Kansas Society of Certified Public Accountants
An Independent C.P.A. Firm

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

Board of Education
Unified School District No. 436
Caney, KS 67333

We have audited the statutory basis financial statements of Unified School District No. 436, Caney, Kansas, as of and for the year ended June 30, 2011, and have issued our report thereon dated January 12, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit Guide*.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying *Schedule of Findings and Questioned Costs* that we consider to be significant deficiencies in internal control over financial reporting [Finding 2011-01]. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

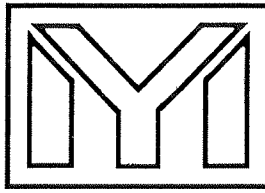
As part of obtaining reasonable assurance about whether the District's statutory basis financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct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

We noted certain other matters that we reported to management of the District in a separate letter dated January 12, 2012.

This report is intended solely for the information and use of the Board of Education of the Unified School District No. 436, Caney, Kansas, management, federal awarding agencies and pass through entities and for filing with the State of Kansas, Division of Accounts and Reports and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


YERKES & MICHELS, CPA, LLC

January 12, 2012



YERKES & MICHELS, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANTS

John D. Carroll, CPA
Carmen R. Duroni, CPA

Randy Hoffman

American Institute of Certified Public Accountants
Kansas Society of Certified Public Accountants
An Independent C.P.A. Firm

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS 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

Independent Auditor's Report

Board of Education
Unified School District No. 436
Caney, KS 67333

Compliance

We have audited Unified School District No. 436, Caney, Kansas's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, Unified School District No. 436, Caney, 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, 2011.


Internal Control Over Compliance

The management of Unified School District No. 436, Caney, Kansas, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

This report is intended solely for the information and use of the Board of Education of Unified School District No. 436, Caney, Kansas, management, and federal awarding agencies and pass-through entities and for filing with the State of Kansas, Division of Accounts and Reports and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.


YERKES & MICHELS, CPA, LLC

January 12, 2012

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2011

<u>Agency:</u>	<u>CFDA #</u>	<u>Expenditures (Statutory Basis)</u>
U.S. Department of Education		
Received Directly:		
Indian Education	84.060	\$ 96,250
Passed through the Kansas Dept. of Education:		
Title I Cluster		
Title I, Part A Grants to LEAs	84.010	\$ 147,956
ARRA - Title I, Part A	84.389	11,841
Total Title I Cluster		\$ 159,797
Title IId Enhancing Ed. through Technology	84.318	\$ 220
ARRA - SFSF Stabilization	84.394	105,552
ARRA - Education Jobs Fund	84.410	184,821
Advanced Placement	84.330	14,765
Charter Schools	84.282	200,378
Title IIa Improving Teacher Quality	84.367	23,281
TOTAL U.S. DEPARTMENT OF EDUCATION		\$ 785,064
U.S. Department of Agriculture		
Passed through the Kansas Dept. of Education:		
Child Nutrition Cluster:		
School Breakfast Program	10.553	\$ 64,695
National School Lunch Program/ Cash for Commodities	10.555	209,629
Total Child Nutrition Cluster		\$ 274,324
TOTAL U.S. DEPARTMENT OF AGRICULTURE		\$ 274,324
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 1,059,388

NOTE: This schedule is presented on a basis of accounting which demonstrates compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Cash disbursements are recognized when the cash balance of a fund is decreased. Expenditures include disbursements, accounts payable and encumbrances.

UNIFIED SCHOOL DISTRICT NO. 436
 CANEY, KANSAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no

Type of auditor's 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 no

Identification of major program:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553 and 10.555	Child Nutrition Cluster

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

Auditee qualified as low risk auditee? yes no

UNIFIED SCHOOL DISTRICT NO. 436
CANNEY, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2011

Section II – Financial Statement Findings

Finding 2011-01:

Statement of Condition: Due to auditing standards, we are required at a minimum to report a significant deficiency on the operations of an entity that has a limited number of staff to perform segregate duties, and properly review procedures as required in an ideal internal control structure. In order to have ideal segregation of duties, the custody of assets, the authorization of transactions involving those assets, and the recording of those transactions should all be performed by separate individuals. In a small entity setting, it is very difficult to maintain ideal segregation of duties. We considered this lack of segregation of duties to be a significant deficiency under standards established by the American Institute of Certified Public Accountants.

Status: Due to the limited size of the District's staff, there is a lack of segregation of duties. At this time, it may be cost prohibitive to increase staff in the Board office sufficiently to rectify this situation. Current office staff and the Board of Education should, however, continually review the opportunity to implement segregation of duties that will enhance the internal control structure at a minimal cost to the District.

Recommendation: We recommend that the board, and administration continually review their procedures for opportunities to increase the segregation of duties of the District as well as the overall internal controls and oversight over the accounting functions. We recommend the Board be aware of the importance of segregating the office duties in order to maintain a good internal control structure that will aid in the prevention and detection of errors and irregularities whether caused by fraud or human error.

View of responsible officials and corrective action plan: Management feels it would cost prohibitive to hire additional personnel to correct this finding. Management and the Board are continually working to mitigate this deficiency. See the Corrective Action Plan on page 56.

Section III – Federal Award Findings and Questioned Costs

No matters reported.

UNIFIED SCHOOL DISTRICT NO. 436
CANEY, KANSAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2011

Finding 2010-01:

A lack of segregation of duties was considered to be a significant deficiency in the prior audit. As the District does not feel it is economically feasible to employ another individual, this finding remains unresolved and will be repeated as finding 2011-01.

Finding 2010-02:

In the prior audit period, it was found that the District had a material amount of idle funds during two monthly periods, a violation of the cash management compliance requirement. The District has implemented a policy of requesting funds only on a reimbursement basis to eliminate the possibility of idle funds. This is in accordance with their Corrective Action Plan and the finding has been sufficiently resolved.

Caney Valley Unified School District 436

700 E. Bullpup Boulevard - Caney, Kansas 67333

Office of the Superintendent

(620) 879-9200

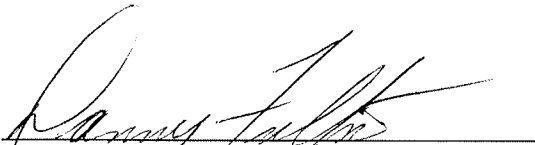
FAX (620) 879-9209

CORRECTIVE ACTION PLAN

RE: Finding 2011-01

The Board and administration will continually review their procedures for opportunities to increase the segregation of duties of the District as well as the overall internal controls and oversight over the accounting functions. The Board is aware of the importance of segregating the office duties in order to maintain a good internal control structure that will aid in the prevention and detection of errors and irregularities whether caused by fraud or human error.

At this time, the Board feels it would be cost prohibitive to hire additional personnel to correct this finding. Management and the Board are continually working to mitigate this deficiency.



Danny Fulton, Superintendent