

UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS

FINANCIAL STATEMENT AND  
SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2012

Byron Bird and Associates, Chartered  
Certified Public Accountants  
224 N. Lincoln Avenue  
Liberal, Kansas, 67901

UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS  
 Financial Statements and Supplementary Information  
 For the Year Ended June 30, 2012  
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UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS  
Financial Statements  
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**BYRON BIRD AND ASSOCIATES, CHARTERED**  
CERTIFIED PUBLIC ACCOUNTANTS

620 - 624 - 1994  
224 N. LINCOLN  
LIBERAL, KANSAS 67901

INDEPENDENT AUDITOR'S REPORT

Board of Education  
Unified School District No. 483  
Kismet, Plains, Kansas 67859

We have audited the summary statement of cash receipts, expenditures, and unencumbered cash balances of Unified School District No. 483, Kismet, Plains, Kansas, as of and for the year ended June 30, 2012. This financial statement is the responsibility of Unified School District No. 483's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and the 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 more fully in Note 1B, Unified School District No. 483 has prepared this financial statement using the 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 financial statement of the variances between these statutory 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 statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Unified School District No. 483 as of June 30, 2012, or the respective changes in financial position, and changes in cash flows, where applicable, for the year then ended. Further, the Unified School District No. 483 has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 483 of Kansas as of June 30, 2012, and the aggregate cash receipts and expenditures for the year then ended, on the basis of accounting described in Note 1B.

Board of Education  
Unified School District No. 483  
Kismet, Plains, Kansas 67859

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2013, on our consideration of Unified School District No. 483'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 financial statement. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, schedule of cash receipts and expenditures-agency funds and schedule of cash receipts, expenditures and unencumbered cash-district activity funds (Schedules 1,2,3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial statement. The accompanying reports, schedule of expenditures of federal awards, summary schedule of prior audit findings and schedule of findings and questioned costs identified in the table of contents as supplementary information is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole.

*Byron Bird and Associates, Chartered*

BYRON BIRD AND ASSOCIATES, CHARTERED  
February 7, 2013

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Summary of Cash Receipts, Expenditures and Unencumbered Cash  
For the Year Ended June 30, 2012

Statement 1

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	*	<u>Prior Year Cancelled Encumbrances</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	Add Outstanding Encumbrances and Accounts Payable	<u>Ending Cash Balance</u>
Governmental Type Funds								
General Funds								
General	\$ 34,675		-	6,240,474	6,275,149	-	146,476	146,476
Supplemental General	100,000		-	979,571	1,028,926	50,645	11,846	62,491
Special Revenue Funds								
At Risk Fund (4 year old)	-		-	75,600	75,600	-	4,589	4,589
At Risk Fund (K-12)	100,000		-	901,530	901,530	100,000	23,969	123,969
Bilingual	100,000		-	576,828	576,828	100,000	19,678	119,678
Capital Outlay	1,540,266		-	511,606	450,443	1,601,429	134,975	1,736,404
Driver Training	51,977		-	9,242	14,225	46,994	7,166	54,160
Food Service	151,151		-	516,780	519,483	148,448	18	148,466
Professional Development	48,770		-	-	696	48,074	-	48,074
Special Education	992,460		-	841,267	796,985	1,036,742	2,469	1,039,211
Vocational Education	-		-	109,081	109,081	-	1,647	1,647
KPERS Special Retirement	-		-	575,541	575,541	-	-	-
Special Assessment	1,375		-	-	-	1,375	-	1,375
Recreation	22,195		-	136,074	140,568	17,701	-	17,701
Migrant	-		5,250	124,249	129,499	-	3,752	3,752
Student Material Revolving	248,690		-	46,784	71,361	224,113	-	224,113
Title I, Low Income	-		-	224,971	224,971	-	12,888	12,888
Title III English Language	-		-	34,377	34,377	-	-	-
Title II Improving Teacher Quality	-		-	24,617	24,617	-	-	-
Contingency Reserve	519,758		-	104,042	-	623,800	-	623,800
District Activity Funds	17,976		-	56,530	56,360	18,146	-	18,146
Debt Service Funds								
Bond & Interest	881,540		-	293,095	603,627	571,008	-	571,008
Fiduciary Fund: Scholarship Fund	28,564		-	12,250	13,550	27,264	-	27,264
Total Reporting Entity	\$ <u>4,839,397</u>		<u>5,250</u>	<u>12,394,509</u>	<u>12,623,417</u>	<u>4,615,739</u>	<u>369,473</u>	<u>4,985,212</u>
(Excluding Agency Funds)								
Composition of Cash:								
								\$ 4,938,427
								111,838
								5,050,265
								(66,428)
								\$ <u>4,983,837</u>

\* Note 5 as restated for the General Fund

(The Notes to the Financial Statement are an Integral Part of This Statement)

UNIFIED SCHOOL DISTRICT NO. 483, KANSAS  
Notes to Financial Statement  
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Unified School District No. 483 is a municipal corporation governed by an elected seven-member board. This financial statement presents only the activity of Unified School District No. 483, Kansas.

B. Statutory Basis of Accounting

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

C. 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, 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 and compensated absences are not presented in the financial statement.

UNIFIED SCHOOL DISTRICT NO. 483, KANSAS  
Notes to Financial Statement  
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Descriptions

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

The following types of funds comprise the financial activities of the District for the fiscal year ending June 30, 2012.

Governmental Funds

General Funds--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 major capital projects) that are restricted by law or administrative action to expenditure for specified purposes. The Capital Outlay Fund accounts for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).

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

Fiduciary Funds

Trust and Agency Funds--to account for assets held in a trustee capacity or as an agent for individuals, other governmental units, private organizations and/or other funds. Included here is the Scholarship Fund.

E. Tax Cycle

The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payments.

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th.



UNIFIED SCHOOL DISTRICT NO. 483, KANSAS  
Notes to Financial Statement  
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Tax Cycle (continued)

Taxes levied to finance the budget are made available to the School District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

F. Reimbursements

Unified School District Number 483 records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures (or expenses) are properly offset by the reimbursements.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. 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:

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

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 budget was not amended for the year ended June 30, 2012.

UNIFIED SCHOOL DISTRICT NO. 483, KANSAS  
Notes to Financial Statement  
June 30, 2012

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (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, 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 municipality 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 projects funds, fiduciary funds, and the following special revenue funds: Contingency Reserve, Special Assessment, Migrant, Student Material Revolving, Title I, Low Income, Title III, English Language, and Title II, Improving Teacher Quality Funds.

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

B. Compliance with Finance – Related Legal and Contractual Provisions

Finance-related legal and contractual provisions include Kansas statutes, regulations, contracts, debt covenants or other agreements. No material violations of finance-related legal and contractual provisions were noted for the year ended June 30, 2012.

Budget Violations

No material budget violations were noted during the year ended June 30, 2012, however the district did incur a budget violation of \$260 in the Bond and Interest Fund.

Management is not aware of any other material statutory violations for the year ended June 30, 2012.

UNIFIED SCHOOL DISTRICT NO. 483, KANSAS  
Notes to Financial Statement  
June 30, 2012

NOTE 3: INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Statutory Amount</u>
General	Bilingual	K.S.A. 72-6428	\$ 576,828
General	Food Service	K.S.A. 72-6428	117,430
General	Special Education	K.S.A. 72-6428	553,758
General	Vocational Education	K.S.A. 72-6428	109,081
General	4 Year Old At Risk	K.S.A. 72-6428	75,600
General	K-12 At Risk	K.S.A. 72-6428	901,530
General	Contingency	K.S.A. 72-6428	104,042
Supplemental General	Special Education	K.S.A. 72-6433	<u>263,064</u>
		Total	\$2,701,333

NOTE 4: DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the Government. The statute requires banks eligible to hold the Government's funds have a main or branch bank in the county in which the Government 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 government has no other policies that would further limit interest rate risk.

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

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

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

UNIFIED SCHOOL DISTRICT NO. 483, KANSAS  
Notes to Financial Statement  
June 30, 2012

NOTE 4: DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2012, the government's carrying amount of the Unified School District's deposits was \$5,050,265 and the bank balance was \$5,342,563. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining \$5,092,563 was collateralized with securities held by the pledging financial institutions' agents in the Government'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 Government 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.

As of June 30, 2012, Unified School District No. 483 had no investments.

NOTE 5: IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$483,232 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.

Beginning unencumbered cash balance for the General Fund has been restated to reflect the application of KMAG Technical Amendment 2011-1 which allow Districts to record state aid payments received subsequent to the end of the fiscal year as in-substance receipts in transit.

NOTE 6: DEFINED BENEFIT PENSION PLAN

*Plan description:* Unified School District No. 483 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.

*Funding Policy:* K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERs member-employee contribution rates. Effective July 1, 2009, KPERs has two benefit structures. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law established the KPERs member-employee contribution rate at 4% of covered salary for Tier 1 and at 6% of covered salary for Tier 2 member-employees. 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 of Kansas contributes 9.77% of covered

UNIFIED SCHOOL DISTRICT NO. 483, KANSAS  
Notes to Financial Statement  
June 30, 2012

NOTE 6: DEFINED BENEFIT PENSION PLAN (CONTINUED)

payroll for the period July 1, 2011, to June 30, 2012. 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.

NOTE 7: VACATION AND COMPENSATED ABSENCES

The School District's liability arising from vacation and compensated absences is \$1,099,714 as of June 30, 2012. This liability is for employees' vacation and sick leave earned, but not yet taken. Sick leave for bus drivers, cooks, and para-professionals accumulates at five days per school year and can accumulate up to 30 days. Sick leave for the Maintenance Director, Transportation Director, and custodians accumulates at ten days per calendar year and can accumulate up to 60 days. They also can accrue forty days of vacation time per calendar year, but it must be used within eighteen months. Secretaries accumulate eight days of sick leave per school year and can accumulate up to forty five days. Certified teachers on a nine month contract accumulate ten days of sick leave and can accumulate up to seventy five days. Certified teachers on a ten month contract accumulate eleven sick days and can accumulate up to seventy six days. Administration employees on a ten and a half month contract accumulate eleven days of sick leave and can accumulate up to seventy one days. Certified teachers and administration on a twelve month contract accumulate twelve days and can accumulate up to seventy-seven days. Vacation time is only accumulated for the Maintenance Director, Transportation Director, and custodians.

NOTE 8: OTHER POST EMPLOYMENT BENEFITS

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

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

NOTE 9: RISK MANAGEMENT

The school district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters.

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
Notes to Financial Statement  
June 30, 2012

Note 9: LONG-TERM DEBT

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

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Principal Reductions Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds:										
Refunding Bonds, 2005	3.00%	4/1/2005	3,410,000	10/1/2012	\$ 1,170,000	\$ -	\$ 575,000		\$ 595,000	\$ 27,368
Total contractual indebtedness					1,170,000	-	575,000		595,000	27,368
Compensated absences					1,088,244			11,470	1,099,714	-
Total Long-Term Debt					\$ 2,258,244	\$ -	\$ 575,000	\$ 11,470	\$ 1,694,714	\$ 27,368

MATURITY OF LONG TERM DEBT

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

	2013	Thereafter	Total
<u>PRINCIPAL</u>			
General Obligation Bonds	\$ 595,000	\$ -	\$ 595,000
TOTAL PRINCIPAL	595,000	-	595,000
<u>INTEREST</u>			
General Obligation Bonds	9,371	-	9,371
TOTAL INTEREST	9,371	-	9,371
<u>TOTAL PRINCIPAL AND INTEREST</u>	\$ 604,371	\$ -	\$ 604,371

## SUPPLEMENTARY INFORMATION

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Summary of Expenditures - Actual and Budget

For the Year Ended June 30, 2012

Schedule 1

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credit</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
Governmental Type Funds:						
General Funds						
General Fund	\$ 6,750,622	(511,732)	36,259	6,275,149	6,275,149	-
Supplemental General Fund	1,124,609	-	-	1,124,609	1,028,926	(95,683)
Special Revenue Funds						
At Risk Fund (4 year old)	75,600	-	-	75,600	75,600	-
At Risk Fund (K-12)	1,102,456	-	-	1,102,456	901,530	(200,926)
Bilingual	712,360	-	-	712,360	576,828	(135,532)
Capital Outlay	900,000	-	-	900,000	450,443	(449,557)
Driver Training	59,059	-	-	59,059	14,225	(44,834)
Food Service	681,539	-	-	681,539	519,483	(162,056)
Professional Development	48,770	-	-	48,770	696	(48,074)
Special Education	900,000	-	-	900,000	796,985	(103,015)
Vocational Education	135,000	-	-	135,000	109,081	(25,919)
Recreation	140,568	-	-	140,568	140,568	-
KPERs Special Retirement	615,720	-	-	615,720	575,541	(40,179)
Debt Service Fund						
Bond & Interest	603,367	-	-	603,367	603,627	260

(See Independent Auditor's Report)



**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 General Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Cash Receipts			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 1,562,870	1,687,507	(124,637)
Delinquent Tax	22,185	23,433	(1,248)
Mineral Production Tax	72,428	-	72,428
State & Federal Aid / Grants	4,010,709	4,080,128	(69,419)
Special Education Aid	532,905	599,879	(66,974)
Ed Jobs Funds	3,118	-	3,118
Transfers from authorized funds	-	325,000	(325,000)
Reimbursed expenditures	<u>36,259</u>	<u>-</u>	<u>36,259</u>
<b>Total Cash Receipts</b>	<b><u>6,240,474</u></b>	<b><u>6,715,947</u></b>	<b><u>(475,473)</u></b>
Expenditures			
Instruction	1,446,080	1,710,531	(264,451)
Student Support Services	210,852	187,625	23,227
Instruction Support Staff	101,236	116,000	(14,764)
General Administration	222,516	220,700	1,816
School Administration	495,002	504,000	(8,998)
Operation and Maintenance	699,429	836,500	(137,071)
Transportation	589,501	572,200	17,301
Other Supplemental Service	64,134	27,650	36,484
Community Service Operations	8,130	-	8,130
Operating Transfers	2,438,269	2,575,416	(137,147)
Adjustment to Comply with Legal Max	-	(511,732)	511,732
Legal General Fund Budget	<u>6,275,149</u>	<u>6,238,890</u>	<u>36,259</u>
Adjustment for Qualifying Budget Credits	<u>-</u>	<u>36,259</u>	<u>(36,259)</u>
<b>Total Expenditures</b>	<b><u>6,275,149</u></b>	<b><u>6,275,149</u></b>	<b><u>-</u></b>
Cash Receipts Over (Under) Expenditures	(34,675)		
Unencumbered Cash, Beginning	34,675 *		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>-</u>		

\* See Note 5 for restatement of beginning unencumbered cash balance

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Supplemental General Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
Ad Valorem Taxes	\$ 924,688	967,402	(42,714)
Delinquent Taxes	12,690	13,391	(701)
Motor Vehicle Taxes	<u>42,193</u>	<u>43,816</u>	<u>(1,623)</u>
Total Cash Receipts	<u>979,571</u>	<u>1,024,609</u>	<u>(45,038)</u>
Expenditures			
Instruction	671,616	724,609	(52,993)
Operation & Maintenance	81,777	-	81,777
Transportation	12,469	200,000	(187,531)
Operating Transfers	<u>263,064</u>	<u>200,000</u>	<u>63,064</u>
Total Expenditures	<u>1,028,926</u>	<u>1,124,609</u>	<u>(95,683)</u>
Cash Receipts Over (Under) Expenditures	(49,355)		
Unencumbered Cash, Beginning	100,000		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>50,645</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 At Risk Fund (4 year old)  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
Operating Transfers	\$ <u>75,600</u>	<u>75,600</u>	<u>-</u>
Total Cash Receipts	<u>75,600</u>	<u>75,600</u>	<u>-</u>
Expenditures			
Instruction	<u>75,600</u>	<u>75,600</u>	<u>-</u>
Total Expenditures	<u>75,600</u>	<u>75,600</u>	<u>-</u>
Cash Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u><u>-</u></u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 At Risk Fund (K-12)  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
Operating Transfers	\$ <u>901,530</u>	<u>1,002,456</u>	<u>(100,926)</u>
Total Cash Receipts	<u>901,530</u>	<u>1,002,456</u>	<u>(100,926)</u>
Expenditures			
Instruction	<u>901,530</u>	<u>1,102,456</u>	<u>(200,926)</u>
Total Expenditures	<u>901,530</u>	<u>1,102,456</u>	<u>(200,926)</u>
Cash Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	100,000		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u><u>100,000</u></u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Bilingual Education Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
Operating Transfers	\$ <u>576,828</u>	<u>612,360</u>	<u>(35,532)</u>
Total Cash Receipts	<u>576,828</u>	<u>612,360</u>	<u>(35,532)</u>
Expenditures			
Instruction	<u>576,828</u>	<u>712,360</u>	<u>(135,532)</u>
Total Expenditures	<u>576,828</u>	<u>712,360</u>	<u>(135,532)</u>
Cash Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	100,000		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>100,000</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Capital Outlay Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 480,855	520,851	(39,996)
Delinquent Tax	7,511	7,235	276
Motor Vehicle Tax	<u>23,240</u>	<u>24,079</u>	<u>(839)</u>
Total Cash Receipts	<u>511,606</u>	<u>552,165</u>	<u>(40,559)</u>
Expenditures			
Instruction Support Services	71,722	80,000	(8,278)
Transportation	96,285	120,000	(23,715)
Operation and Maintenance	53,368	100,000	(46,632)
Facility Acquis. & Const. Service	<u>229,068</u>	<u>600,000</u>	<u>(370,932)</u>
Total Expenditures	<u>450,443</u>	<u>900,000</u>	<u>(449,557)</u>
Cash Receipts Over (Under) Expenditures	61,163		
Unencumbered Cash, Beginning	1,540,266		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>1,601,429</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Driver Training Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
State Aid / Grants	\$ 4,042	3,182	860
Other Revenue Local Sources	<u>5,200</u>	<u>3,900</u>	<u>1,300</u>
Total Cash Receipts	<u>9,242</u>	<u>7,082</u>	<u>2,160</u>
Expenditures			
Instruction	13,402	57,182	(43,780)
Vehicle Operations and Maintenance	<u>823</u>	<u>1,877</u>	<u>(1,054)</u>
Total Expenditures	<u>14,225</u>	<u>59,059</u>	<u>(44,834)</u>
Cash Receipts Over (Under) Expenditures	(4,983)		
Unencumbered Cash, Beginning	51,977		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>46,994</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Food Service Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Cash Receipts			
Charges for Services	\$ 73,461	76,602	(3,141)
Federal Grants	321,208	299,953	21,255
State Aid / Grants	4,681	3,832	849
Operating Transfers	<u>117,430</u>	<u>150,000</u>	<u>(32,570)</u>
Total Cash Receipts	<u>516,780</u>	<u>530,387</u>	<u>(13,607)</u>
Expenditures			
Operation and Maintenance	7,848	14,473	(6,625)
Food Service Operation	<u>511,635</u>	<u>667,066</u>	<u>(155,431)</u>
Total Expenditures	<u>519,483</u>	<u>681,539</u>	<u>(162,056)</u>
Cash Receipts Over (Under) Expenditures	(2,703)		
Unencumbered Cash, Beginning	151,151		
Prior Year Cancelled Encumbrances	<u>          -</u>		
Unencumbered Cash, Ending	\$ <u>148,448</u>		

(See Independent Auditor's Report)



**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
Professional Development Fund  
Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
State Aid / Grants	\$ -	-	-
Operating Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Receipts	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Instruction Support Staff	<u>696</u>	<u>48,770</u>	<u>(48,074)</u>
Total Expenditures	<u>696</u>	<u>48,770</u>	<u>(48,074)</u>
Cash Receipts Over (Under) Expenditures	(696)		
Unencumbered Cash, Beginning	48,770		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>48,074</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
Special Education Fund  
Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
Other Revenue Local Sources	\$ 24,445	-	24,445
Operating Transfers	<u>816,822</u>	<u>800,000</u>	<u>16,822</u>
Total Cash Receipts	<u>841,267</u>	<u>800,000</u>	<u>41,267</u>
Expenditures			
Instruction	793,984	892,950	(98,966)
Student Transportation	<u>3,001</u>	<u>7,050</u>	<u>(4,049)</u>
Total Expenditures	<u>796,985</u>	<u>900,000</u>	<u>(103,015)</u>
Cash Receipts Over (Under) Expenditures	44,282		
Unencumbered Cash, Beginning	992,460		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>1,036,742</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Vocational Education Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
Operating Transfers	\$ <u>109,081</u>	<u>135,000</u>	<u>(25,919)</u>
Total Cash Receipts	<u>109,081</u>	<u>135,000</u>	<u>(25,919)</u>
Expenditures			
Instruction	109,056	135,000	(25,944)
Operations and Maintenance	<u>25</u>	<u>-</u>	<u>25</u>
Total Expenditures	<u>109,081</u>	<u>135,000</u>	<u>25</u>
Cash Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>-</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 KPERS Special Retirement Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Cash Receipts			
State Sources	\$ <u>575,541</u>	<u>615,720</u>	<u>(40,179)</u>
Total Cash Receipts	<u>575,541</u>	<u>615,720</u>	<u>(40,179)</u>
Expenditures			
Instruction	386,719	421,281	(34,562)
Student Support	18,429	19,120	(691)
Instructional Support	11,463	10,628	835
General Administration	18,927	19,463	(536)
School Administration	48,798	53,485	(4,687)
Supplemental Services	6,323	6,471	(148)
Operations & Maintenance	34,713	39,550	(4,837)
Food Service	21,178	18,719	2,459
Student Transportation	<u>28,991</u>	<u>27,003</u>	<u>1,988</u>
Total Expenditures	<u>575,541</u>	<u>615,720</u>	<u>(40,179)</u>
Cash Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>-</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Special Assessment Fund

Schedule of Cash Receipts and Expenditures

For the Year Ended June 30, 2012

Schedule 2

Cash Receipts	
Rental and Fees	\$ <u>          -</u>
Total Cash Receipts	<u>          -</u>
Expenditures	
Facilities Acquisition & Construction	<u>      1,375</u>
Total Expenditures	<u>      1,375</u>
Cash Receipts Over (Under) Expenditures	(1,375)
Unencumbered Cash, Beginning	1,375
Prior Year Cancelled Encumbrances	<u>          -</u>
Unencumbered Cash, Ending	\$ <u><u>          -</u></u>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Recreation Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over <u>(Under)</u>
Cash Receipts			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 127,931	138,017	(10,086)
Delinquent Tax	2,081	1,932	149
Motor Vehicle Tax	<u>6,062</u>	<u>6,291</u>	<u>(229)</u>
Total Cash Receipts	<u>136,074</u>	<u>146,240</u>	<u>(10,166)</u>
Expenditures			
Community Service Operations	<u>140,568</u>	<u>140,568</u>	<u>-</u>
Total Expenditures	<u>140,568</u>	<u>140,568</u>	<u>-</u>
Cash Receipts Over (Under) Expenditures	(4,494)		
Unencumbered Cash, Beginning	22,195		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>17,701</u>		

(See Independent Auditor's Report)

UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS

Migrant Fund

Schedule 2

Schedule of Cash Receipts and Expenditures

For the Year Ended June 30, 2012

Cash Receipts	
Federal Aid	\$ <u>124,249</u>
Total Cash Receipts	<u>124,249</u>
Expenditures	
Instruction	116,415
Administrative Expenses	2,557
Repaid Federal Aid	<u>10,527</u>
Total Expenditures	<u>129,499</u>
Cash Receipts Over (Under) Expenditures	(5,250)
Unencumbered Cash, Beginning	-
Prior Year Cancelled Encumbrances	<u>5,250</u>
Unencumbered Cash, Ending	\$ <u><u>0</u></u>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Student Material Revolving Fund  
Schedule of Cash Receipts and Expenditures  
For the Year Ended June 30, 2012

Schedule 2

Cash Receipts	
Rental Fees & Books	\$ 46,784
Operating Transfers	<u>-</u>
Total Cash Receipts	<u>46,784</u>
Expenditures	
Instruction	<u>71,361</u>
Total Expenditures	<u>71,361</u>
Cash Receipts Over (Under) Expenditures	(24,577)
Unencumbered Cash, Beginning	248,690
Prior Year Cancelled Encumbrances	<u>-</u>
Unencumbered Cash, Ending	\$ <u>224,113</u>

(See Independent Auditor's Report)



**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Title I Low Income Fund

Schedule 2

Schedule of Cash Receipts and Expenditures

For the Year Ended June 30, 2012

Cash Receipts	
Federal Aid	\$ <u>224,971</u>
Total Cash Receipts	<u>224,971</u>
Expenditures	
Instruction	204,251
Instructional Support	17,128
Administration	<u>3,592</u>
Total Expenditures	<u>224,971</u>
Cash Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	-
Prior Year Cancelled Encumbrances	<u>-</u>
Unencumbered Cash, Ending	\$ <u>-</u>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Title III English Language Acquisition Fund  
Schedule of Cash Receipts and Expenditures  
For the Year Ended June 30, 2012

Schedule 2

Cash Receipts	
Federal Aid	\$ <u>34,377</u>
Total Cash Receipts	<u>34,377</u>
Expenditures	
Instruction	<u>34,377</u>
Total Expenditures	<u>34,377</u>
Cash Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	-
Prior Year Cancelled Encumbrances	<u>-</u>
Unencumbered Cash, Ending	\$ <u>-</u>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Title II-Improving Teacher Quality  
Schedule of Cash Receipts and Expenditures  
For the Year Ended June 30, 2012

Schedule 2

Cash Receipts	
Federal Revenue	\$ <u>24,617</u>
Total Cash Receipts	<u>24,617</u>
Expenditures	
Instruction	<u>24,617</u>
Total Expenditures	<u>24,617</u>
Cash Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	-
Prior Year Cancelled Encumbrances	<u>-</u>
Unencumbered Cash, Ending	\$ <u>-</u>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Contingency Reserve Fund  
Schedule of Cash Receipts and Expenditures  
For the Year Ended June 30, 2012

Schedule 2

Cash Receipts	
Interest on Idle Funds	\$ -
Operating Transfers	<u>104,042</u>
Total Cash Receipts	<u>104,042</u>
Expenditures	
Instruction	-
Operations & Maintenance	<u>-</u>
Total Expenditures	<u>-</u>
Cash Receipts Over (Under) Expenditures	104,042
Unencumbered Cash, Beginning	519,758
Prior Year Cancelled Encumbrances	<u>-</u>
Unencumbered Cash, Ending	\$ <u>623,800</u>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 Bond & Interest Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

	<u>Actual</u>	<u>Budget</u>	Variance Over <u>(Under)</u>
Cash Receipts			
Ad Valorem Taxes	\$ 256,312	284,079	(27,767)
Delinquent Taxes	9,399	9,435	(36)
Motor Vehicle Taxes	<u>27,384</u>	<u>28,482</u>	<u>(1,098)</u>
Total Cash Receipts	<u>293,095</u>	<u>321,996</u>	<u>(28,901)</u>
Expenditures			
Commission & Postage	1,260	1,000	260
Interest Payment	27,367	27,367	-
Bond Principal Payment	<u>575,000</u>	<u>575,000</u>	<u>-</u>
Total Expenditures	<u>603,627</u>	<u>603,367</u>	<u>260</u>
Cash Receipts Over (Under) Expenditures	(310,532)		
Unencumbered Cash, Beginning	881,540		
Prior Year Cancelled Encumbrances	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>571,008</u>		

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
Scholarship Fund  
Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended June 30, 2012

Schedule 2

Cash Receipts	
Scholarships & Memorials	\$ <u>12,250</u>
Total Cash Receipts	<u>12,250</u>
Expenditures	
Instruction Support Staff	<u>13,550</u>
Total Expenditures	<u>13,550</u>
Cash Receipts Over (Under) Expenditures	(1,300)
Unencumbered Cash, Beginning	28,564
Prior Year Cancelled Encumbrances	<u>-</u>
Unencumbered Cash, Ending	\$ <u>27,264</u>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Agency Funds

Schedule 3

Summary of Cash Receipts and Cash Disbursements

For the Year Ended June 30, 2012

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
<b>High School</b>				
Cheerleaders	\$ 954	9,775	8,874	1,855
Kayettes	4,159	5,952	7,060	3,051
Library Club	1,813	1,496	1,600	1,709
CC Team	-	386	378	8
Drama Club	115	-	-	115
FCCLA	2,236	11,842	8,113	5,965
Fellowship of Christian Athletes	(2)	607	575	30
Mustang Singers	6,200	7,484	5,977	7,707
VB Team	2,519	1,996	2,989	1,526
FB Team	1,038	100	238	900
Tennis Team	156	1,506	1,082	580
Boys Basketball	468	986	974	480
Strength & Conditioning	2,926	3,590	3,503	3,013
FFA	12,018	30,868	31,687	11,199
Band Club	11,028	10,041	15,207	5,862
National Honor Society	1,080	2,507	1,507	2,080
Scholars' Bowl	73	450	317	206
Video Production	344	-	17	327
Forensics	-	627	438	189
Student Council	2,692	3,434	3,090	3,036
Sales Tax	1,031	4,255	4,839	447
Class of 2011	440	-	274	166
Class of 2012	3,314	359	3,340	333
Class of 2013	-	22,274	18,287	3,987
Subtotal High School	<u>54,602</u>	<u>120,535</u>	<u>120,366</u>	<u>54,771</u>
<b>Junior High School</b>				
Flower Club	74	-	-	74
NJHS	82	677	412	347
Cheerleaders	644	2,108	1,857	895
Concessions	-	8,850	8,076	774
Compton's Class	1,485	-	461	1,024
Miscellaneous	403	2,181	2,193	391
Subtotal Junior High School	<u>2,688</u>	<u>13,816</u>	<u>12,999</u>	<u>3,505</u>
<b>Kismet Elementary School</b>				
Book Fair	2,622	504	544	2,582
Subtotal Kismet Elementary School	<u>2,622</u>	<u>504</u>	<u>544</u>	<u>2,582</u>
<b>Plains Elementary School</b>				
Flower Fund	256	206	212	250
Misc. and Other	4,810	4,968	4,990	4,788
Library	679	2,187	2,334	532
Subtotal Plains Elementary School	<u>5,745</u>	<u>7,361</u>	<u>7,536</u>	<u>5,570</u>
<b>Total Agency Funds</b>	<b>\$ <u>65,657</u></b>	<b><u>142,216</u></b>	<b><u>141,445</u></b>	<b><u>66,428</u></b>

(See Independent Auditor's Report)

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
 District Activity Funds  
 Schedule of Cash Receipts, Expenditures and Unencumbered Cash  
 For the Year Ended June 30, 2012

Schedule 4

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Canceled Encumbrances</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
Gate Receipts							
Athletics	\$ <u>1,479</u>	<u>-</u>	<u>22,465</u>	<u>20,946</u>	<u>2,998</u>	<u>-</u>	<u>2,998</u>
School Projects							
Yearbook	1,558	-	11,459	12,506	511	-	511
Student Services SWH	3,406	-	3,528	3,232	3,702	-	3,702
Softball	-	-	5,500	5,043	457	-	457
Student Athletics	782	-	-	-	782	-	782
Student Services Kismet Elem.	6,693	-	7,020	7,803	5,910	-	5,910
Student Services Junior High	4,058	-	6,558	6,830	3,786	-	3,786
Student Services Plains Elem.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal School Projects	<u>16,497</u>	<u>-</u>	<u>34,065</u>	<u>35,414</u>	<u>15,148</u>	<u>-</u>	<u>15,148</u>
Total District Activity Funds	\$ <u>17,976</u>	<u>-</u>	<u>56,530</u>	<u>56,360</u>	<u>18,146</u>	<u>-</u>	<u>18,146</u>

(See Independent Auditor's Report)





**BYRON BIRD AND ASSOCIATES, CHARTERED**  
CERTIFIED PUBLIC ACCOUNTANTS

620 - 624 - 1994  
224 N. LINCOLN  
LIBERAL, KANSAS 67901

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

Board of Education  
Unified School District No. 483  
Kismet, Plains, Kansas 67859

We have audited the financial statement of Unified School District No. 483, Kismet, Plains, Kansas as of and for the year ended June 30, 2012, and have issued our report thereon dated February 7, 2013. As described in Note 1B, Unified School District No. 483 prepares its financial statement 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 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

Management of Unified School District No. 483 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Unified School District No. 483's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 483's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 483'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 statement 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 previously. 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. 2012-1. 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 Unified School District No. 483's financial

Board of Education  
Unified School District No. 483  
Kismet, Plains, Kansas 67859

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

We noted certain other matters that we reported to management of Unified School District No. 483, in a separate letter dated February 7, 2013.

Unified School District No. 483's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned cost. We did not audit Unified School District No. 483's response and, accordingly, we express no opinion on it.

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

*Byron Bird and Associates, Chartered*

BYRON BIRD AND ASSOCIATES, CHARTERED  
Liberal, Kansas  
February 7, 2013



**BYRON BIRD AND ASSOCIATES, CHARTERED**  
CERTIFIED PUBLIC ACCOUNTANTS

620 - 624 - 1994  
224 N. LINCOLN  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133**

Board of Education  
Unified School District No. 483  
Kismet, Plains, Kansas 67859

Compliance

We have audited Unified School District No. 483's 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. 483's major federal programs for the year ended June 30, 2012. Unified School District No. 483'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 Unified School District No. 483's management. Our responsibility is to express an opinion on Unified School District No. 483'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*. 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. 483'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 of Unified School District No. 483's compliance with those requirements.

In our opinion, Unified School District No. 483 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. 483 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. 483's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 483's internal control over compliance.

Board of Education  
Unified School District No. 483  
Kismet, Plains, Kansas 67859

*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. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2012-1. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Unified School District No. 483's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Unified School District No. 483's response and, accordingly, we express no opinion on the response.

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

*Byron Bird and Associates, Chartered*

BYRON BIRD AND ASSOCIATES, CHARTERED  
Liberal, Kansas  
February 7, 2013

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2012

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA #</u>	<u>Pass-Through Entity Identifying #</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education:</u>			
Pass - Through Kansas Department of Education:			
Title 1, Part A Cluster:			
Title 1, Grants to Local Educational Agencies	84.010		\$ <u>224,971</u>
Total Title 1 cluster			<u>224,971</u>
Grants not clustered:			
Title 1, Migrant	84.011		124,249
Title II, Improving Teacher Quality	84.367		24,617
English Language Acquisition	84.365		34,377
Education Jobs Fund	84.410		<u>3,118</u>
Total grants not clustered			<u>186,361</u>
Total U.S. Department of Education			<u>411,332</u>
<u>U.S. Department of Agriculture:</u>			
Pass - Through Kansas Department of Education:			
Child Nutrition Cluster:			
School Breakfast	10.553		70,583
National School Lunch	10.555		225,513
Cash for Commodities Schools	10.555		<u>24,062</u>
Total Child Nutrition Cluster			<u>320,158</u>
Grants not clustered:			
Team Nutrition Training Grant	10.574		<u>1,050</u>
Total grants not clustered			<u>1,050</u>
Total U.S. Department of Agriculture			<u>321,208</u>
Total Expenditures of Federal Awards			\$ <u><u>732,540</u></u>

The accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this statement

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2012

NOTE 1: GENERAL

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards of Unified School District Number 483, Kansas. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is presented using the basis of accounting as described in Note 1 to the district's financial statement.

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2012

FINDING 2011-1 Lack of Segregation of Duties

*Condition:* This finding was a significant deficiency stating that the school district cannot guarantee the separation of employee responsibilities (custodial, recording and authorizing) to prevent any one employee from committing and concealing irregularities.

*Recommendation:* Because the school district is a small entity, budget constraints do not allow for them to hire enough employees to ensure total segregation of duties. However, we would recommend increased internal control in an effort to compensate for this condition.

*Current Status:* This finding was first reported in the 2006 schedule of findings and questioned costs. Budget constraints still exist and will most likely continue to exist, therefore the lack of segregation of duties problem will continue. This finding will repeat in the current audit.

**UNIFIED SCHOOL DISTRICT NUMBER 483, KANSAS**  
**Schedule of Findings and Questioned Costs**  
Year Ended June 30, 2012

**Section I – Summary of Auditor’s Results**

*Financial Statements*

The auditor’s report expresses an unqualified opinion on the financial statements of Unified School District Number 483 under K MAG statutory cash and budget basis. There is a disclaimer of opinion on the financial statement for GAAP purposes.

Internal Control over financial reporting:

- Material weakness identified \_\_\_\_\_yes         x   no
- Significant Deficiency identified that is not considered to be a material weakness \_\_\_\_\_x\_\_\_\_\_yes      \_\_\_\_\_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 that is not considered to be a material weakness? \_\_\_\_\_x\_\_\_\_\_yes      \_\_\_\_\_none reported

The auditor’s report expresses an unqualified opinion on compliance for major programs of Unified School District Number 483.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? \_\_\_\_\_x\_\_\_\_\_yes      \_\_\_\_\_no

Identification of major programs:

Child Nutrition Cluster CFDA #10.553, 10.555  
Migrant Education CFDA #84.011

Dollar threshold used to distinguish between type A and type B programs: \$300,000  
Auditee qualified as low-risk auditee? \_\_\_\_\_yes         x   no

**Section II – Financial Statement Findings**

*2012-1 – Financial Reporting - Lack of Segregation of Duties*

*Criteria* – The design of segregation of duties should have incompatible functions properly segregated, such as initiation, authorization, recording and processing duties.

*Condition* – There are inadequate segregation of duties over the cash receipts, cash disbursements, financial reporting and payroll cycles.

*Cause* – Financial duties have not been properly segregated.

*Effect* – Inadequate segregation of duties increases the opportunities for potential financial statement misstatements due to either fraud or error.

*Recommendation* – We would recommend increased internal control in an effort to compensate for this condition such as having an employee who is not responsible for the processing of bills match the cash disbursements with invoices and mail the checks. On the payroll cycle it would be beneficial to have an administrator be designated to make changes to the master payroll records such as adding employees or changing pay rates.

*Management’s Response (unaudited)* – The school district is aware of the lack of segregation of duties. Budget constraints in their small government entity do not allow them to hire enough employees to ensure total segregation of duties. Management is implementing additional internal controls in an effort to compensate for this condition. Management is currently training an employee to assist in the financial processes.

**Section III – Federal Award Findings and Questioned Costs**

The significant deficiency reported in Section II (2012-1), lack of segregation of duties also applies to Section III. Please see Section II for details.