

**UNIFIED SCHOOL DISTRICT NUMBER 405
LYONS, KANSAS**

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2013

**Unified School District Number 405
Lyons, Kansas**

Fiscal Year Ended June 30, 2013

TABLE OF CONTENTS

<u>ITEM</u>	<u>Page Number</u>
Independent Auditor's Report.....	1 - 3
Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit Of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4 - 5
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	6 - 7

FINANCIAL SECTION

Statement 1	Summary Statement of Regulatory Basis Receipts, Expenditures and Unencumbered Cash	8
	Notes to the Financial Statement	9 - 14

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1	Summary of Regulatory Basis Expenditures—Actual and Budget.....	15
Schedule 2	Schedule of Regulatory Basis Receipts and Expenditures — Actual and Budget	

GENERAL FUNDS

2-1	General Fund	16 - 18
2-2	Supplemental General Fund	19 - 20

SPECIAL PURPOSE FUNDS

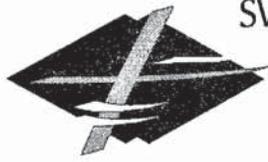
2-3	At Risk (4 Years Old) Fund	21
2-4	At Risk (K-12) Fund.....	22
2-5	Bilingual Education Fund.....	23
2-6	Capital Outlay Fund.....	24
2-7	Driver Training Fund.....	25
2-8	Food Service Fund	26
2-9	Professional Development Fund	27
2-10	Parent Education Fund.....	28
2-11	Recreation Commission Fund.....	29
2-12	Recreation Commission Employee Benefits Fund.....	30
2-13	Special Education Fund	31
2-14	Special Education Cooperative Fund	32 - 33
2-15	Summer School Fund	34
2-16	Technology Revolving Fund.....	35
2-17	Vocational Education Fund	36
2-18	Virtual Education Fund	37

**Unified School District Number 405
Lyons, Kansas**

Fiscal Year Ended June 30, 2013

TABLE OF CONTENTS

	<u>ITEM</u>	<u>Page Number</u>
	<u>SPECIAL PURPOSE FUNDS (cont.)</u>	
	2-19 KPERS Special Retirement Contribution Fund	38
	2-20 Carl Perkins Consortium Fund	39
	2-21 Contingency Reserve Fund	40
	2-22 Title I Fund	41
	2-23 Title II-A Teacher Quality Fund	42
	2-24 Title VI-B Discretionary Fund	43
	2-25 Other Federal Funds Fund	44
	2-26 Gifts and Grants Fund	45
	<u>BOND AND INTEREST FUND</u>	
	2-27 Bond and Interest Fund	46
	<u>TRUST FUND</u>	
	2-28 Trust Funds	47
Schedule 3	Schedule of Regulatory Basis Receipts and Cash Disbursements— Agency Funds	48
Schedule 4	Schedule of Regulatory Basis Receipts, Expenditures and Unencumbered Cash—District Activity Funds	49
	<u>ADDITIONAL INFORMATION</u>	
Schedule 5	Schedule of Expenditures of Federal Awards	50
Schedule 6	Summary Schedule of Prior Audit Findings	51
Schedule 7	Schedule of Findings and Questioned Costs	52 - 53



SWINDOLL
JANZEN
HAWK &
LOYD, LLC

Certified Public Accountants

McPherson Office
123 South Main
P.O. Box 1337
McPherson, KS 67460-1337
620.241.1826 office
888.241.1826 toll
620.241.6926 fax

Hutchinson Office
129 West 2nd, Suite A
P.O. Box 2889
Hutchinson, KS 67504-2889
620.662.3358 office
888.414.0123 toll
620.662.3350 fax

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District Number 405
800 South Workman
Lyons, Kansas 67554

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Lyons USD 405, Lyons, Kansas, a Municipality, as of and for the year ended June 30, 2013 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by Lyons USD 405 to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" 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 Lyons USD 405 as of June 30, 2013, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Lyons USD 405 as of June 30, 2013, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2013 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures—actual and budget, individual fund schedules of regulatory basis receipts and expenditures—actual and budget, schedule of regulatory basis receipts and expenditures—agency funds, schedules of regulatory basis receipts, expenditures and unencumbered cash—district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2013 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. 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 2013 basic financial statement. The 2013 information has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic 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 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2012 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2012 basic financial statement upon which we rendered an unqualified opinion dated October 17, 2012. The 2012 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2012 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 basic financial statement. The 2012 comparative information was subjected to the auditing procedures applied in the audit of the 2012 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 basic financial statement or to the 2012 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2012 comparative information is fairly stated in all material respects in relation to the 2012 basic financial statement as a whole, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2012, on our consideration of Unified School District Number 405's internal control over financial reporting and 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 that collectively comprise Unified School District Number 405, Lyons, Kansas' financial statement as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the financial statement of Unified School District Number 405, Lyons, Kansas. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated, in all material respects, in relation to the financial statement taken as a whole, on the basis of accounting described in Note 1.

Swindoll, Janzen, Hawk & Loyd, LLC

Certified Public Accountants

September 30, 2013



SWINDOLL
JANZEN
HAWK &
LOYD, LLC

Certified Public Accountants

McPherson Office
123 South Main
P.O. Box 1337
McPherson, KS 67460-1337
620.241.1826 office
888.241.1826 toll
620.241.6926 fax

Hutchinson Office
129 West 2nd, Suite A
P.O. Box 2889
Hutchinson, KS 67504-2889
620.662.3358 office
888.414.0123 toll
620.662.3350 fax

**INDEPENDENT AUDITOR'S 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 Number 405
Lyons, Kansas 67554

We have audited, 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 and Accounting Guide*, the financial statement of Unified School District Number 405 (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statement, which collectively comprise the District's basic financial statement and have issued our report thereon dated September 30, 2013

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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 District's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control that we consider to be significant deficiencies (2013-01).

Compliance and Other Matters

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

Unified School District 405's Response to Findings

The District's response to the findings identified in our audit, if any, is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statement, and accordingly, we express no opinion on it.

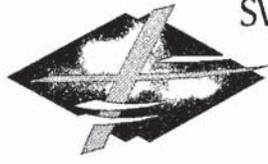
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll Janzen Hawk & Loyd, LLC

September 30, 2013



SWINDOLL
JANZEN
HAWK &
LOYD, LLC

Certified Public Accountants

McPherson Office
123 South Main
P.O. Box 1337
McPherson, KS 67460-1337
620.241.1826 office
888.241.1826 toll
620.241.6926 fax

Hutchinson Office
129 West 2nd, Suite A
P.O. Box 2889
Hutchinson, KS 67504-2889
620.662.3358 office
888.414.0123 toll
620.662.3350 fax

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education
Unified School District Number 405
Lyons, Kansas 67554

Report on Compliance for Each Major Program

We have audited Unified School District Number 405's (the District) 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 the District's major federal programs for the year ended June 30, 2013. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 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 on compliance for each major federal program. However, our audit does not provide a legal determination on the District's compliance with those requirements.

Opinion on each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of 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, 2013.

Report on Internal Control Over Compliance

Management of Unified School District Number 405 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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. *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.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll Janzen Hawk & Loyd, LLC

September 30, 2013

**Unified School District Number 405
Lyons, Kansas**

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

**Regulatory Basis
For the Year Ended June 30, 2013**

Fund	Beginning Unencumbered Cash Balance 07-01-12	Receipts	Expenditures	Ending Unencumbered Cash Balance 06-30-13	Add Encumbrances and Accounts Payable	Ending Cash Balance 06-30-13
GENERAL FUNDS						
General Fund	\$ -	\$ 6,153,787	\$ 6,153,787	\$ -	\$ 72,704	\$ 72,704
Supplemental General Fund	72,618	1,700,287	1,703,841	69,064	22,842	91,906
SPECIAL PURPOSE FUNDS						
At Risk (4 Year Old) Fund	30,750	6,000	5,929	30,821	151	30,972
At Risk (K-12) Fund	700,000	1,459,776	1,459,776	700,000	-	700,000
Bilingual Education Fund	70,000	221,286	221,286	70,000	-	70,000
Capital Outlay Fund	1,000,000	347,066	296,819	1,050,247	102,286	1,152,533
Driver Training Fund	18,000	9,298	8,867	18,431	972	19,403
Food Service Fund	132,538	439,846	432,981	139,403	15,236	154,639
Professional Development Fund	70,000	38,376	38,376	70,000	3,491	73,491
Parent Education Fund	-	95,900	95,900	-	8,892	8,892
Recreation Commission Fund	2,502	212,035	204,200	10,337	-	10,337
Recreation Commission Employee Benefits Fund	497	42,374	40,820	2,051	-	2,051
Special Education Fund	511,336	1,128,132	1,127,245	512,223	-	512,223
Special Education Cooperative Fund	1,229,448	3,230,664	3,299,832	1,160,280	10,481	1,170,761
Summer School Fund	18,000	10,000	9,607	18,393	33	18,426
Technology Revolving Fund	50,073	19,614	2,605	67,082	1,675	68,757
Vocational Education Fund	175,000	143,000	142,672	175,328	-	175,328
Virtual Education Fund	6,467	2,000	1,610	6,857	-	6,857
KPERS Special Retirement Contribution Fund	-	660,104	660,104	-	-	-
Carl Perkins Consortium Fund	-	4,411	4,411	-	-	-
Contingency Reserve Fund	626,753	-	-	626,753	-	626,753
Title I Fund	-	213,116	213,116	-	-	-
Title II-A Teacher Quality Fund	-	36,080	36,080	-	1,855	1,855
Title VI-B Discretionary Fund	-	22,084	22,084	-	-	-
Other Federal Funds Fund	-	17,567	17,567	-	1,380	1,380
Gifts and Grants Fund	11,056	17,441	17,115	11,382	434	11,816
Gate Receipts Funds	656	97,494	96,719	1,431	-	1,431
School Project Funds	28,338	62,046	53,580	36,804	297	37,101
BOND AND INTEREST FUND						
Bond and Interest Fund	310,587	474,439	430,535	354,491	-	354,491
TRUST FUNDS						
John Lawrence Fund	826	1	-	827	-	827
Needy Children Fund	3,362	793	861	3,294	-	3,294
Total Reporting Entity (Excluding Agency Funds)	\$ 5,068,807	\$ 16,865,017	\$ 16,798,325	\$ 5,135,499	\$ 242,729	\$ 5,378,228

COMPOSITION OF CASH

Lyons State Bank - HI FI	\$ 4,664
First Bank - Maximizer	3,732
First Bank - LHS Activity Fund	38,404
Lyons Federal Savings - Super Advantage	17,613
Lyons Federal Savings - Advantage	1,568,577
Lyons State Bank - Checking #90417	3,294
Lyons State Bank - Passbook Savings # 610410	827
Lyons State Bank - LMS Activity	8,074
Lyons State Bank - Park Elementary Activity	4,679
Lyons State Bank - Central Elementary Activity	1,346
Lyons Federal Savings - Certificates of Deposit	3,800,000
Total Cash	5,451,230
Less Agency Funds per Schedule 3	(73,002)
Total Reporting Entity (Excluding Agency Funds)	\$ 5,378,228

UNIFIED SCHOOL DISTRICT NUMBER 405

LYONS, KANSAS

NOTES TO THE FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

Unified School District Number 405 is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District Number 405 (the District), a municipality.

(b) Regulatory Basis Fund Types

General Fund—the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds—used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund—used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund—used to account for the debt proceeds and other financial resources to be used for the acquisition or construction of major capital facilities or equipment.

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing, county treasurer tax collection accounts, etc.).

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provided for the following sequence and timetable in the adoption of the legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for this year.

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 regulatory 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 expenditure authority lapses at year end.

A legal operating budget is not required for Capital Projects Fund, Trust Funds and the following Special Purpose Funds: Technology Revolving, Carl Perkins Consortium, Contingency Reserve, Title I, Title II-A Teacher Quality, Title VI-B Discretionary, Other Federal Funds, Gifts and Grants, Gate Receipts, and School Projects.

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. 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, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

2. DEPOSITS AND INVESTMENTS (cont.)

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 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 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. All deposits were legally secured at June 30, 2013.

At year end the carrying amount of the District's deposits, including certificates of deposit, was \$5,451,230. The bank balance was \$5,813,893. The bank balance was held by three banks resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$750,000 was covered by FDIC insurance and the remaining \$5,063,893 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name under joint custody arrangements or by letters of credit. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party agreement signed by all three parties: The District, the pledging bank, and the independent third-party bank holding the pledged securities.

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.

3. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$475,987 subsequent to June 30, 2013, 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, 2013.

4. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2013, were as follows:

STATEMENT OF CHANGES IN LONG TERM DEBT
For the Year Ended June 30, 2013

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Refund Bonds: Series 2005	3.00% to 5.00%	07-1-05	\$ 3,985,000	10-1-20	\$ 3,295,000	\$ -	\$ 300,000	\$ 2,995,000	\$ 130,535
Total Contractual Indebtedness					\$ 3,295,000	\$ -	\$ 300,000	\$ 2,995,000	\$ 130,535

4. LONG-TERM DEBT (cont.)

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

STATEMENT OF MATURITY OF LONG TERM DEBT
For the Year Ended June 30, 2013

	Year						Total
	2014	2015	2016	2017	2018	2019-2021	
Principal:							
General Obligation Bonds:							
Series 2005	\$ 325,000	\$ 350,000	\$ 375,000	\$ 395,000	\$ 415,000	\$ 1,135,000	\$ 2,995,000
Interest:							
General Obligation Bonds:							
Series 2005	114,910	98,035	82,535	68,478	53,285	59,500	476,743
Total Principal and Interest	\$ 439,910	\$ 448,035	\$ 457,535	\$ 463,478	\$ 468,285	\$ 1,194,500	\$ 3,471,743

5. INTERFUND TRANSACTIONS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Capital Outlay	K.S.A. 72-6428	\$ 258,034
General	Parent Education	K.S.A. 72-6428	16,401
General	Special Education	K.S.A. 72-6428	888,132
General	At Risk (K-12)	K.S.A. 72-6428	1,284,396
Supplemental General	Bilingual Education	K.S.A. 72-6433	184,330
Supplemental General	Driver Training	K.S.A. 72-6433	1,000
Supplemental General	Special Education	K.S.A. 72-6433	240,000
Supplemental General	Professional Development	K.S.A. 72-6433	24,493
Supplemental General	Summer School	K.S.A. 72-6433	10,000
Supplemental General	Virtual Education	K.S.A. 72-6433	2,000
Supplemental General	Vocational Education	K.S.A. 72-6433	143,000
Supplemental General	At Risk (4 year old)	K.S.A. 72-6433	6,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6433	170,385
Special Education	Special Education Coop	K.S.A. 72-6420	1,127,245

6. RELATED PARTY TRANSACTIONS

Unified School District Number 405 is the taxing authority for the Lyons Recreation Commission. During the fiscal year ended June 30, 2013, the District levied a total tax of 6.00 mills for the Recreation Commission and the Recreation Commission Employee Benefits Fund, which is in turn appropriated to the Lyons Recreation Commission for its operations. Also, there is an informal agreement between the District and the Recreation Commission for use of District facilities when they are not otherwise being used by the District.

One of the Board's members is an officer of one of the financial institutions where the School has funds deposited. At June 30, 2013, funds deposited at this institution totaled \$3,533,061.

7. DEFINED BENEFIT PENSION PLAN

Plan Description: The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. 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 or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009, KPERS has two member benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. 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 establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members and 6% of covered salary for Tier 2 members. 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 statutory required employers share.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post-Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Compensated Absences

Temporary leave for teachers is granted at the rate of thirteen days per year. Upon completion of a contract year, a request may be submitted to the District for reimbursement for the number of temporary leave days not granted for the current school year which have not been used. The total reimbursement for all teachers may not exceed \$40,000. Temporary leave for classified employees is at the rate of one day per month of contract and a maximum of twelve days may be bought back per year for \$35.00 per day for days over 60 accumulative days. Vacation is accrued as follows: 3.34 hours per month for the first year of service; 6.67 hours per month for two to ten years of service; 10 hours per month for eleven to twenty years of service; and 13.34 hours per month for more than 21 years of service. Upon termination, no employees are paid for unused sick leave. Vacation leave is required to be used by October 1 of the next fiscal year or benefit is lost.

Principals are given 20 vacation days to accumulate to 40 after the first year of service. They are given an option of being paid 80% of the daily rate for up to 10 days annually. Days in excess of 40 will be forfeited.

The Superintendent is given 20 vacation days to accumulate to 40 after the first year of service. Unused days will be paid at a rate of 80% of the daily rate for up to 10 days annually. Days in excess of 40 will be forfeited.

(c) Termination Benefits

The District provides an early retirement program for certain eligible employees. Employees are eligible if they are currently certified or classified employees of the District, eligible for full KPERS early retirement benefits, and have a minimum of twelve (12) years (for certified employees) or fifteen (15) years (for classified employees) of employment with USD 405. If the employee applying for early retirement is over sixty-five (65) years old, they are eligible for the temporary leave buy out provisions of the early retirement program. Those eligible under this program may receive benefits for up to five (5) years or until age 65.

Payments to retired employees under this plan were \$16,637 for the year ended June 30, 2013.

9. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2012 to 2013, and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations, the District is exposed to various claims, legal actions and complaints. It is of the opinion of the District's management and legal counsel that any current matters are not anticipated to have a material impact on the District.

10. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

On July 8, 2013 Resolution No. 13-7-3 was passed authorizing the Offering for Sale of General Obligation Refunding and School Building Bonds, Series 2013. The total sale of the bonds will be structured into two sales, Series 2013 for \$9,990,000 and Series 2014 to include the remaining amount.

On August 19, 2013, the District received \$9,766,401 in bond proceeds.

Unified School District Number 405
Lyons, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended June 30, 2013

Fund	Certified Budget	Adjustment to Comply With Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUNDS						
General Fund	\$ 6,543,790	\$ (458,641)	\$ 68,638	\$ 6,153,787	\$ 6,153,787	\$ -
Supplemental General Fund	1,700,000	-	3,841	1,703,841	1,703,841	-
SPECIAL PURPOSE FUNDS						
At Risk (4 Yr Old) Fund	85,750	-	-	85,750	5,929	(79,821)
At Risk (K-12) Fund	1,526,102	-	-	1,526,102	1,459,776	(66,326)
Adult Supplemental Education Fund	-	-	-	-	-	-
Bilingual Education Fund	295,000	-	-	295,000	221,286	(73,714)
Capital Outlay Fund	1,340,748	-	40,696	1,381,444	296,819	(1,084,625)
Driver Training Fund	22,500	-	-	22,500	8,867	(13,633)
Food Service Fund	532,910	-	7,296	540,206	432,981	(107,225)
Professional Development Fund	82,000	-	2,693	84,693	38,376	(46,317)
Parent Education Fund	97,800	-	200	98,000	95,900	(2,100)
Recreation Commission Fund	204,200	-	-	204,200	204,200	-
Recreation Commission Employee Benefits Fund	40,820	-	-	40,820	40,820	-
Special Education Fund	1,325,000	-	-	1,325,000	1,127,245	(197,755)
Special Education Cooperative Fund	3,938,242	-	2,602	3,940,844	3,299,832	(641,012)
Summer School Fund	34,000	-	-	34,000	9,607	(24,393)
Vocational Education Fund	143,143	-	-	143,143	142,672	(471)
Virtual Education Fund	56,467	-	-	56,467	1,610	(54,857)
KPERS Special Retirement Contribution Fund	737,606	-	-	737,606	660,104	(77,502)
BOND AND INTEREST FUND						
Bond and Interest Fund	430,636	-	-	430,636	430,535	(101)
Total	\$ 19,136,714	\$ (458,641)	\$ 125,966	\$ 18,804,039	\$ 16,334,187	\$ (2,469,852)

**UNIFIED SCHOOL DISTRICT NUMBER 405
LYONS, KANSAS**

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

FISCAL YEAR ENDED JUNE 30, 2013

Unified School District Number 405
Lyons, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2013		Variance Over (Under)	
	2012 Actual	Actual		Budget
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property				
Prior year	\$ 13,355	\$ 8,195	\$ 18,262	\$ (10,067)
Current year	623,464	670,044	626,141	43,903
Delinquent tax	12,912	14,501	16,896	(2,395)
In lieu of taxes - industrial revenue bonds	1,846	1,919	-	1,919
Mineral production tax	1,454	1,718	-	1,718
General state aid	4,562,355	4,500,640	4,797,611	(296,971)
Special Education aid	898,999	888,132	1,084,880	(196,748)
Federal aid - Education Jobs	2,789	-	-	-
Miscellaneous reimbursements	110,117	68,638	-	68,638
Total Receipts	<u>6,227,291</u>	<u>6,153,787</u>	<u>\$ 6,543,790</u>	<u>\$ (390,003)</u>
Expenditures:				
Instruction -				
Certified salaries	1,332,140	1,280,549	\$ 1,343,136	\$ (62,587)
Certified salaries - Education Jobs	2,789	-	-	-
Non-certified salaries	50,097	54,576	54,000	576
Insurance	75,715	62,639	77,517	(14,878)
Social Security	105,862	97,416	110,050	(12,634)
Other employee benefits	82,888	89,646	118,475	(28,829)
Purchased professional services	65,778	81,724	100,200	(18,476)
Other purchased services	18,485	20,824	18,838	1,986
Teaching supplies	12,639	23,337	13,000	10,337
Textbooks	684	-	1,100	(1,100)
Miscellaneous supplies	3,600	3,600	4,500	(900)
Property and equipment	25,355	31,745	30,000	1,745
Other	104,767	113,406	110,000	3,406
Student Support Services -				
Certified salaries	92,775	66,796	105,000	(38,204)
Insurance	2,406	2,180	2,750	(570)
Social Security	7,109	5,083	8,000	(2,917)
Other employee benefits	679	391	660	(269)
Purchased professional services	2,169	1,749	2,025	(276)
Supplies	1,685	1,564	2,000	(436)
Instruction Support Staff -				
Certified salaries	53,057	56,933	59,250	(2,317)
Non-certified salaries	123,172	130,131	126,040	4,091
Insurance	25,055	22,644	25,000	(2,356)
Social Security	13,498	14,321	14,400	(79)
Other employee benefits	5,469	4,914	10,565	(5,651)
Purchased professional services	-	2,767	15,000	(12,233)
Other purchased services	-	7	-	7
Other	2,087	234	3,200	(2,966)

Unified School District Number 405
Lyons, Kansas

GENERAL FUND

GENERAL FUND (cont.)

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2013			Variance Over (Under)
	2012 Actual	Actual	Budget	
Expenditures: (cont.)				
General Administration -				
Certified salaries	142,291	145,533	174,550	(29,017)
Non-certified salaries	21,968	11,166	22,100	(10,934)
Insurance	9,588	10,802	9,950	852
Social Security	12,591	12,085	12,920	(835)
Other employee benefits	3,516	4,194	7,440	(3,246)
Purchased professional services	29,733	31,955	37,000	(5,045)
Purchased property services	3,126	2,957	3,715	(758)
Communications	5,181	5,397	5,750	(353)
Supplies	1,803	2,595	2,500	95
Property and equipment	211	-	500	(500)
School Administration -				
Certified salaries	252,170	257,483	267,000	(9,517)
Non-certified salaries	98,319	96,042	100,000	(3,958)
Insurance	24,704	25,692	26,000	(308)
Social Security	26,939	27,160	30,000	(2,840)
Other employee benefits	1,481	1,246	2,900	(1,654)
Communications	296	256	400	(144)
Other purchased services	3,639	2,841	4,000	(1,159)
Property and equipment	5,032	3,644	2,000	1,644
Operations & Maintenance -				
Non-certified salaries	197,480	204,929	208,400	(3,471)
Insurance	10,274	12,822	10,000	2,822
Social Security	15,120	15,693	16,000	(307)
Other employee benefits	9,497	8,924	9,725	(801)
Purchased professional services	-	807	12,000	(11,193)
Water/sewer	8,046	21,185	8,050	13,135
Cleaning	21,126	23,394	20,500	2,894
Repairs and maintenance	33,686	37,711	27,000	10,711
Rentals	8,100	8,100	8,100	-
Other	14,786	13,573	15,000	(1,427)
Insurance	88,838	95,808	118,850	(23,042)
General supplies	5,881	11,374	3,000	8,374
Heating	55,354	50,078	135,000	(84,922)
Electricity	140,103	138,788	135,000	3,788
Motor fuel	1,714	842	2,200	(1,358)
Property and equipment	-	-	400	(400)
Student Transportation Services -				
Vehicle Operating Services -				
Certified salaries	33,082	33,919	40,500	(6,581)
Non-certified salaries - Education Jobs	2,979	2,989	3,000	(11)
Insurance	2,644	2,793	3,000	(207)
Social Security	2,289	727	1,640	(913)
Other employee benefits	7,800	8,883	8,250	633
Other purchased services	31,263	34,471	32,000	2,471
Supplies	-	12,286	2,000	10,286
Property and equipment	2,524	5,291	2,700	2,591

Unified School District Number 405
Lyons, Kansas

GENERAL FUND

GENERAL FUND (cont.)

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2013			Variance Over (Under)
	2012 Actual	Actual	Budget	
Expenditures: (cont.)				
Student Transportation Services (cont.)-				
Vehicle and Maintenance Services -				
Non-certified salaries	8,144	13,033	10,000	3,033
Social Security	623	997	1,000	(3)
Other employee benefits	297	328	350	(22)
Other purchased services	20,431	27,902	26,000	1,902
Supplies	5,842	3,772	7,500	(3,728)
Equipment	-	5,389	25	5,364
Other Student Transportation Services -				
Certified salaries	27,114	33,787	29,500	4,287
Non-Certified salaries	1,520	2,064	-	2,064
Insurance	1,562	1,521	2,200	(679)
Social security	2,084	2,607	2,160	447
Other employee benefits	557	204	1,300	(1,096)
Other Supplemental Service -				
Non-certified salaries	50,453	54,288	55,250	(962)
Insurance	1,038	1,017	3,000	(1,983)
Social Security	3,873	4,164	4,500	(336)
Other employee benefits	1,204	140	2,225	(2,085)
Outgoing transfers -				
Bilingual Education	70,000	-	25,000	(25,000)
Capital Outlay	368,367	258,034	100,000	158,034
Driver Training	2,850	-	-	-
Professional Development	19,629	-	12,000	(12,000)
Parent Education	18,645	16,401	18,000	(1,599)
Special Education	1,145,823	888,132	1,073,867	(185,735)
Summer School	8,572	-	8,000	(8,000)
Virtual Education	-	-	50,000	(50,000)
Vocational Education	98,196	-	87,526	(87,526)
At Risk (4 Year Old)	4,073	-	55,000	(55,000)
At Risk (K-12)	821,260	1,284,396	1,083,641	200,755
Adjustment for Legal Max	-	-	(458,641)	458,641
Legal General Fund Budget	6,227,291	6,153,787	6,085,149	68,638
Adjustment for Qualifying Budget Credits	-	-	68,638	(68,638)
Total Expenditures	<u>6,227,291</u>	<u>6,153,787</u>	<u>\$ 6,153,787</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

Unified School District Number 405

Lyons, Kansas

GENERAL FUNDSUPPLEMENTAL GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2013			Variance Over (Under)
	2012 Actual	Actual	Budget	
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property				
Prior year	\$ 18,336	\$ 12,312	\$ 26,472	\$ (14,160)
Current year	761,162	807,036	-	807,036
Delinquent tax	19,717	24,827	20,738	4,089
Reimbursements	6,106	3,841	-	3,841
Motor and recreational vehicle tax	73,923	87,599	83,898	3,701
In lieu of taxes - industrial revenue bonds	2,049	2,117	-	2,117
Supplemental state aid	767,388	762,555	772,208	(9,653)
Total Receipts	1,648,681	1,700,287	\$ 903,316	\$ 796,971
Expenditures:				
Instruction -				
Certified salaries	76,734	81,459	\$ 89,150	\$ (7,691)
Non-certified salaries	1,422	1,665	2,210	(545)
Insurance	128,507	130,191	140,000	(9,809)
Social Security	5,814	6,033	6,000	33
Purchased professional services	-	-	1,500	(1,500)
Other employee benefits	1,546	1,153	1,750	(597)
Other purchased services	23,921	32,054	27,540	4,514
Supplies	80,334	83,072	70,000	13,072
Textbooks	2,874	9,358	39,000	(29,642)
Property and equipment	171,521	182,389	260,200	(77,811)
Other	7,000	7,112	8,200	(1,088)
Student Support Services -				
Certified salaries	659	286	1,500	(1,214)
Insurance	8,822	13,104	9,250	3,854
Social Security	49	22	145	(123)
Other employee benefits	113	62	110	(48)
Purchased professional services	-	-	1,750	(1,750)
Other purchased services	131	85	1,000	(915)
Supplies	1,094	673	1,000	(327)
Instructional Support -				
Certified salaries	724	360	750	(390)
Non-certified salaries	1,296	966	1,250	(284)
Insurance	23,111	23,196	25,000	(1,804)
Social Security	154	101	2,000	(1,899)
Other employee benefits	128	30	55	(25)
Books	9,378	10,962	8,750	2,212
Miscellaneous supplies	793	2,033	2,100	(67)
Property and equipment	-	-	200	(200)
General Administration -				
Certified salaries	108	9,366	2,500	6,866
Insurance	8,905	9,241	9,000	241
Social Security	8	657	550	107
Other employee benefits	57	85	50	35
Purchased professional services	15,879	36,063	18,450	17,613
Other purchased services	7,486	16,788	13,500	3,288
Property and equipment	-	500	250	250
Other	8,350	8,350	9,000	(650)

Unified School District Number 405
Lyons, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND (cont.)

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Expenditures: (cont.)				
School Administration -				
Certified salaries	\$ 2,022	\$ 4,176	\$ 6,500	\$ (2,324)
Non-certified salaries	2,291	1,219	3,200	(1,981)
Insurance	28,840	30,020	31,000	(980)
Social Security	313	399	700	(301)
Other employee benefits	66	145	75	70
Other purchased services	1,684	175	2,200	(2,025)
Supplies	3,958	2,653	4,200	(1,547)
Operations & Maintenance -				
Certified salaries	210	3,020	210	2,810
Non-certified salaries	31,192	31,824	33,000	(1,176)
Insurance	30,236	30,801	33,000	(2,199)
Social Security	2,386	2,652	2,500	152
Other employee benefits	1,760	507	1,315	(808)
Purchased property services	104,544	75,187	83,000	(7,813)
Other purchased services	-	271	100	171
Supplies	37,309	31,434	43,300	(11,866)
Motor fuel	1,496	2,212	1,500	712
Property and equipment	30,752	14,728	26,700	(11,972)
Student Transportation Services -				
Certified salaries	450	495	450	45
Non-certified salaries	-	587	500	87
Insurance	2,292	2,292	4,050	(1,758)
Social Security	33	36	50	(14)
Other employee benefits	170	93	175	(82)
Other Student Transportation Services -				
Insurance	2,320	2,421	3,000	(579)
Other Supplemental Services -				
Certified salaries	-	-	2,000	(2,000)
Non-certified salaries	7,799	11,076	7,700	3,376
Insurance	5,886	5,931	6,500	(569)
Social Security	584	832	750	82
Other employee benefits	42	31	50	(19)
Outgoing Transfers -				
Bilingual Education	116,135	184,330	200,000	(15,670)
Driver Training	-	1,000	-	1,000
Special Education	-	240,000	115,000	125,000
Professional Development	-	24,493	-	24,493
Summer School	-	10,000	8,000	2,000
Virtual Education	-	2,000	-	2,000
Vocational Education	-	143,000	15,565	127,435
At Risk (4 Yr Old)	-	6,000	-	6,000
At Risk (K-12)	616,418	170,385	310,000	(139,615)
Legal Supplemental General Fund Budget	1,618,106	1,703,841	1,700,000	3,841
Adjustment for Qualifying Budget Credits	-	-	3,841	(3,841)
Total Expenditures	1,618,106	1,703,841	\$ 1,703,841	\$ -
Receipts Over (Under) Expenditures	30,575	(3,554)		
Unencumbered Cash, Beginning	42,043	72,618		
Unencumbered Cash, Ending	\$ 72,618	\$ 69,064		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

AT RISK (4 YEAR OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Transfer from General Fund	\$ 4,073	\$ -	\$ 55,000	\$ (55,000)
Transfer from Supplemental General Fund	-	6,000	-	6,000
Total Receipts	<u>4,073</u>	<u>6,000</u>	<u>\$ 55,000</u>	<u>\$ (49,000)</u>
Expenditures:				
Instruction -				
Purchased professional services	-	-	\$ 79,750	\$ (79,750)
Teaching supplies	2,915	3,688	4,500	(812)
Equipment	<u>1,158</u>	<u>2,241</u>	<u>1,500</u>	<u>741</u>
Total Expenditures	<u>4,073</u>	<u>5,929</u>	<u>\$ 85,750</u>	<u>\$ (79,821)</u>
Receipts Over (Under) Expenditures	-	71		
Unencumbered Cash, Beginning	<u>30,750</u>	<u>30,750</u>		
Unencumbered Cash, Ending	<u>\$ 30,750</u>	<u>\$ 30,821</u>		

**Unified School District Number 405
Lyons, Kansas**

SPECIALPURPOSE FUND

AT RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Miscellaneous revenue	\$ -	\$ 4,995	\$ -	\$ 4,995
Transfer from General Fund	821,260	1,284,396	725,000	559,396
Transfer from Supplemental General Fund	616,418	170,385	305,000	(134,615)
Total Receipts	1,437,678	1,459,776	\$ 1,030,000	\$ 429,776
Expenditures:				
Instruction -				
Certified salaries	1,101,065	1,159,746	\$ 1,126,244	\$ 33,502
Non-certified salaries	5,639	6,546	5,773	773
Insurance	159,716	164,911	163,517	1,394
Social security	84,935	86,979	86,956	23
Other employee benefits	15,402	12,113	12,972	(859)
Purchased professional services	894	2,628	4,600	(1,972)
Purchased property services	-	-	100,000	(100,000)
Teaching supplies	20,027	26,853	26,025	828
Other	-	-	15	(15)
Total Expenditures	1,387,678	1,459,776	\$ 1,526,102	\$ (66,326)
Receipts Over (Under) Expenditures	50,000	-		
Unencumbered Cash, Beginning	650,000	700,000		
Unencumbered Cash, Ending	\$ 700,000	\$ 700,000		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

			2013		Variance Over (Under)
	2012 Actual	Actual	Budget		
Receipts:					
Federal Aid	\$ 55,934	\$ 36,956	\$ -	\$ 36,956	
Transfer from General Fund	70,000	-	25,000	(25,000)	
Transfer from Supplemental General Fund	116,135	184,330	200,000	(15,670)	
Total Receipts	242,069	221,286	\$ 225,000	\$ (3,714)	
Expenditures:					
Instruction -					
Certified salaries	43,690	45,435	\$ 48,731	\$ (3,296)	
Non-certified salaries	135,139	122,782	138,355	(15,573)	
Insurance	32,278	22,570	33,046	(10,476)	
Social Security	13,666	12,905	13,991	(1,086)	
Other employee benefits	1,146	713	1,173	(460)	
General teaching supplies	-	-	40,019	(40,019)	
Miscellaneous supplies	-	-	150	(150)	
School Administration -					
Certified salaries	13,523	14,213	16,845	(2,632)	
Insurance	1,561	1,553	1,598	(45)	
Social Security	1,041	1,094	1,066	28	
Other employee benefits	25	21	26	(5)	
Total Expenditures	242,069	221,286	\$ 295,000	\$ (73,714)	
Receipts Over (Under) Expenditures	-	-			
Unencumbered Cash, Beginning	70,000	70,000			
Unencumbered Cash, Ending	\$ 70,000	\$ 70,000			

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property				
Prior year	\$ 419	\$ 139	\$ 298	\$ (159)
Current year	8,609	9,179	8,622	557
Delinquent tax	835	1,278	235	1,043
Motor vehicle tax	1,669	1,708	1,569	139
Recreational vehicle tax	25	27	24	3
In lieu of taxes - industrial revenue bonds	23	24	-	24
Interest on idle funds	21,039	20,714	30,000	(9,286)
Miscellaneous income	7,663	15,267	200,000	(184,733)
Transfer from General Fund	368,367	258,034	100,000	158,034
Miscellaneous reimbursements	166,282	40,696	-	40,696
Total Receipts	<u>574,931</u>	<u>347,066</u>	<u>\$ 340,748</u>	<u>\$ 6,318</u>
Expenditures:				
Instruction -				
Property and equipment	-	-	\$ 142,000	\$ (142,000)
General Administration -				
Property and equipment	-	-	150,000	(150,000)
School Administration -				
Property and equipment	-	-	11,000	(11,000)
Operations & Maintenance -				
Property and equipment	102,260	42,956	150,000	(107,044)
Facilities Acquisition Services -				
Architectural & engineering services	10,665	28,135	25,000	3,135
Building additions/services system	77,529	-	175,000	(175,000)
Repair & remodel building	150,356	216,848	537,748	(320,900)
Site Improvement	88,826	8,880	150,000	(141,120)
Legal Capital Outlay Fund Budget	429,636	296,819	1,340,748	(1,043,929)
Adjustment for Qualifying Budget Credits	-	-	40,696	(40,696)
Total Expenditures	<u>429,636</u>	<u>296,819</u>	<u>\$ 1,381,444</u>	<u>\$ (1,084,625)</u>
Receipts Over (Under) Expenditures	145,295	50,247		
Unencumbered Cash, Beginning	854,705	1,000,000		
Unencumbered Cash, Ending	<u>\$ 1,000,000</u>	<u>\$ 1,050,247</u>		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
State aid	\$ 3,666	\$ 2,883	\$ -	\$ 2,883
Miscellaneous income	4,000	5,415	4,500	915
Transfer from General Fund	2,850	-	-	-
Transfer from Supplemental General Fund	-	1,000	-	1,000
	<u>10,516</u>	<u>9,298</u>	<u>\$ 4,500</u>	<u>\$ 4,798</u>
Total Receipts				
Expenditures:				
Instruction -				
Certified salaries	8,091	6,780	\$ 9,500	\$ (2,720)
Social Security	619	519	750	(231)
Other employee benefits	19	8	35	(27)
Purchased professional & technical services	8	8	1,025	(1,017)
Textbooks	-	-	1,500	(1,500)
Miscellaneous supplies	33	88	2,750	(2,662)
Other	618	24	4,690	(4,666)
Operation and Maintenance -				
Vehicle insurance	219	230	500	(270)
Motor fuel	781	938	1,250	(312)
Other	128	272	500	(228)
	<u>10,516</u>	<u>8,867</u>	<u>\$ 22,500</u>	<u>\$ (13,633)</u>
Total Expenditures				
Receipts Over (Under) Expenditures	-	431		
Unencumbered Cash, Beginning	<u>18,000</u>	<u>18,000</u>		
Unencumbered Cash, Ending	<u>\$ 18,000</u>	<u>\$ 18,431</u>		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

		<u>2013</u>		
	<u>2012</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts:				
Student sales	\$ 64,655	\$ 63,224	\$ 71,865	\$ (8,641)
Adult meals	9,213	8,921	13,950	(5,029)
Ala carte meals	5,814	7,731	-	7,731
State aid	4,639	4,834	4,523	311
Federal aid	336,859	342,203	329,649	12,554
Miscellaneous income	7,626	5,637	20,250	(14,613)
Miscellaneous reimbursements	6,760	7,296	-	7,296
	<u>435,566</u>	<u>439,846</u>	<u>\$ 440,237</u>	<u>\$ (391)</u>
Total Receipts				
Expenditures:				
Food Service Operation -				
Non-certified salaries	107,992	110,683	\$ 139,750	\$ (29,067)
Insurance	20,471	19,723	25,500	(5,777)
Social Security	8,230	8,485	9,000	(515)
Other employee benefits	3,281	2,625	4,250	(1,625)
Other purchased services	1,297	1,335	1,250	85
Food and milk	229,442	246,198	263,000	(16,802)
Miscellaneous supplies	9,665	12,918	40,410	(27,492)
Property and equipment	31,512	14,977	30,000	(15,023)
Other	22,769	16,037	19,750	(3,713)
	<u>434,659</u>	<u>432,981</u>	<u>532,910</u>	<u>(99,929)</u>
Legal Food Service Fund Budget				
Adjustment for Qualifying Budget Credits	-	-	7,296	(7,296)
	<u>434,659</u>	<u>432,981</u>	<u>\$ 540,206</u>	<u>\$ (107,225)</u>
Total Expenditures				
Receipts Over (Under) Expenditures	907	6,865		
Unencumbered Cash, Beginning	<u>131,631</u>	<u>132,538</u>		
Unencumbered Cash, Ending	<u>\$ 132,538</u>	<u>\$ 139,403</u>		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2013			Variance Over (Under)
	2012 Actual	Actual	Budget	
Receipts:				
Miscellaneous income	\$ 11,156	\$ 11,190	\$ -	\$ 11,190
Transfer from Supplemental General Fund	-	24,493	-	24,493
Transfer from General Fund	19,629	-	12,000	(12,000)
Miscellaneous reimbursements	1,035	2,693	-	2,693
Total Receipts	31,820	38,376	\$ 12,000	\$ 26,376
Expenditures:				
Instructional Support Staff -				
Certified salaries	18,254	17,488	\$ 32,000	\$ (14,512)
Non-certified salaries	1,577	1,131	1,800	(669)
Social Security	1,540	1,401	2,000	(599)
Other employee benefits	187	158	225	(67)
Purchased professional services	2,055	3,716	7,075	(3,359)
Other purchased services	8,173	14,482	38,850	(24,368)
Miscellaneous supplies	34	-	50	(50)
Legal Professional Development Fund Budget	31,820	38,376	82,000	(43,624)
Adjustment for Qualifying Budget Credits	-	-	2,693	(2,693)
Total Expenditures	31,820	38,376	\$ 84,693	\$ (46,317)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	70,000	70,000		
Unencumbered Cash, Ending	\$ 70,000	\$ 70,000		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Payments from other school districts	\$ 21,176	\$ 21,299	\$ 21,299	\$ -
State aid	55,879	58,000	58,000	-
Transfer from General Fund	18,645	16,401	16,401	-
Miscellaneous reimbursements	325	200	-	200
Total Receipts	<u>96,025</u>	<u>95,900</u>	<u>\$ 95,700</u>	<u>\$ 200</u>
Expenditures:				
Student Support Services -				
Certified salaries	66,483	64,757	\$ 64,000	\$ 757
Insurance	18,691	9,484	19,136	(9,652)
Social Security	5,088	4,957	5,209	(252)
Other employee benefits	121	93	124	(31)
Other purchased services	4,559	6,232	6,131	101
Miscellaneous supplies	1,083	2,642	1,200	1,442
Property and equipment	-	7,735	2,000	5,735
Legal Parent Education Fund Budget	96,025	95,900	97,800	(1,900)
Adjustment for Qualifying Budget Credits	-	-	200	(200)
Total Expenditures	<u>96,025</u>	<u>95,900</u>	<u>\$ 98,000</u>	<u>\$ (2,100)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

RECREATION COMMISSION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012 Actual</u>	<u>2013</u>		<u>Variance Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes and Shared Revenue:				
Ad valorem property				
Prior year	\$ 4,183	\$ 2,778	\$ 5,974	\$ (3,196)
Current year	171,754	183,063	172,425	10,638
Delinquent tax	4,578	5,787	4,680	1,107
Motor vehicle tax	16,621	19,606	18,784	822
Recreational vehicle tax	254	321	284	37
In lieu of taxes - industrial revenue bonds	<u>462</u>	<u>480</u>	<u>-</u>	<u>480</u>
Total Receipts	197,852	212,035	<u>\$ 202,147</u>	<u>\$ 9,888</u>
Expenditures:				
Appropriation to Recreation Commission	<u>202,000</u>	<u>204,200</u>	<u>\$ 204,200</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(4,148)	7,835		
Unencumbered Cash, Beginning	<u>6,650</u>	<u>2,502</u>		
Unencumbered Cash, Ending	<u>\$ 2,502</u>	<u>\$ 10,337</u>		

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

RECREATION COMMISSION EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property				
Prior year	\$ 836	\$ 556	\$ 1,195	\$ (639)
Current year	34,364	36,605	34,471	2,134
Delinquent tax	901	1,132	936	196
Motor vehicle tax	3,322	3,921	3,754	167
Recreational vehicle tax	51	64	57	7
In lieu of taxes - industrial revenue bonds	94	96	-	96
	<u>39,568</u>	<u>42,374</u>	<u>\$ 40,413</u>	<u>\$ 1,961</u>
Expenditures:				
Appropriation to Recreation				
Commission	<u>40,340</u>	<u>40,820</u>	<u>\$ 40,820</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(772)	1,554		
Unencumbered Cash, Beginning	<u>1,269</u>	<u>497</u>		
Unencumbered Cash, Ending	<u>\$ 497</u>	<u>\$ 2,051</u>		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012 Actual</u>	<u>2013</u>		<u>Variance Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from General Fund	\$ 1,145,823	\$ 888,132	\$ 1,165,000	\$ (276,868)
Transfer from Supplemental General Fund	-	240,000	115,000	125,000
Total Receipts	1,145,823	1,128,132	<u>\$ 1,280,000</u>	<u>\$ (151,868)</u>
Expenditures:				
Transfers to Special Education Cooperative	<u>1,144,487</u>	<u>1,127,245</u>	<u>\$ 1,325,000</u>	<u>\$ (197,755)</u>
Receipts Over (Under) Expenditures	1,336	887		
Unencumbered Cash, Beginning	<u>510,000</u>	<u>511,336</u>		
Unencumbered Cash, Ending	<u>\$ 511,336</u>	<u>\$ 512,223</u>		

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION COOPERATIVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Payments from other districts	\$ 1,487,533	\$ 1,491,399	\$ 1,555,561	\$ (64,162)
Federal aid	430,352	423,229	423,229	-
Miscellaneous income	251	34	-	34
Medicaid reimbursement	126,146	158,777	165,521	(6,744)
Transfer from Special Education Fund	1,144,487	1,127,245	1,312,759	(185,514)
Cost settlement	-	27,378	-	27,378
Miscellaneous reimbursements	7,342	2,602	3,800	(1,198)
Total Receipts	3,196,111	3,230,664	\$ 3,460,870	\$ (230,206)
Expenditures:				
Instruction -				
Certified salaries	922,504	955,223	\$ 1,199,442	\$ (244,219)
Non-certified salaries	908,547	970,362	865,500	104,862
Insurance	307,795	316,309	318,000	(1,691)
Social Security	140,687	147,780	143,000	4,780
Other employee benefits	17,734	18,308	31,700	(13,392)
Purchased professional services	11,474	24,962	65,000	(40,038)
Other purchased services	16,356	17,090	33,000	(15,910)
General teaching supplies	14,200	12,270	13,000	(730)
Textbooks	-	-	700	(700)
Miscellaneous supplies	-	-	402,000	(402,000)
Property and equipment	7,436	19,266	22,000	(2,734)
Student Support Services -				
Certified salaries	373,729	433,236	416,000	17,236
Insurance	54,976	60,402	56,700	3,702
Social Security	29,227	33,762	31,500	2,262
Other employee benefits	2,966	1,983	3,400	(1,417)
Purchased professional services	81,283	16,771	63,500	(46,729)
Supplies	8,381	12,952	6,300	6,652
Special Area Administrative Services -				
Certified salaries	102,613	104,833	107,500	(2,667)
Non-certified salaries	38,576	39,851	50,000	(10,149)

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION COOPERATIVE FUND (cont.)

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Expenditures: (cont.)				
Special Area Administrative Services - (cont.)				
Insurance	\$ 15,362	\$ 14,902	\$ 22,000	\$ (7,098)
Social Security	10,834	11,086	13,000	(1,914)
Other employee benefits	1,574	16,857	5,000	11,857
Purchased professional services	3,000	3,872	3,500	372
Other purchased services	4,128	4,983	7,000	(2,017)
Supplies	430	893	1,000	(107)
Property and equipment	-	996	-	996
Operations and Maintenance -				
Other employee benefits	563	-	500	(500)
Repairs and maintenance	494	248	5,500	(5,252)
Other purchased services	169	224	-	224
Student Transportation Services -				
Supervision -				
Non-certified salaries	3,705	3,541	11,000	(7,459)
Insurance	472	248	2,800	(2,552)
Social Security	272	268	1,000	(732)
Other employee benefits	570	5	700	(695)
Vehicle Operating Services -				
Insurance	657	576	1,500	(924)
Motor fuel	4,210	11,769	8,000	3,769
Vehicle Services and Maintenance Services -				
Other purchased services	40,544	44,004	27,500	16,504
Legal Special Cooperative Fund Budget	3,125,468	3,299,832	3,938,242	(638,410)
Adjustment for Qualifying Budget Credits	-	-	2,602	(2,602)
Total Expenditures	<u>3,125,468</u>	<u>3,299,832</u>	<u>\$ 3,940,844</u>	<u>\$ (641,012)</u>
Receipts Over (Under) Expenditures	70,643	(69,168)		
Unencumbered Cash, Beginning	<u>1,158,805</u>	<u>1,229,448</u>		
Unencumbered Cash, Ending	<u>\$ 1,229,448</u>	<u>\$ 1,160,280</u>		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

SUMMER SCHOOL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Transfer from General Fund	\$ 8,572	\$ -	\$ 8,000	\$ (8,000)
Transfer from Supplemental General Fund	-	10,000	8,000	2,000
Total Receipts	8,572	10,000	\$ 16,000	\$ (6,000)
Expenditures:				
Instruction -				
Certified salaries	-	-	\$ 5,000	\$ (5,000)
Non-certified salaries	-	-	3,000	(3,000)
Social Security	-	-	200	(200)
Other employee benefits	-	-	15	(15)
Supplies	16	33	14,060	(14,027)
School Administration -				
Certified salaries	6,976	6,913	9,000	(2,087)
Non-certified salaries	977	1,758	2,000	(242)
Social Security	588	661	675	(14)
Other employee benefits	15	242	50	192
Total Expenditures	8,572	9,607	\$ 34,000	\$ (24,393)
Receipts Over (Under) Expenditures	-	393		
Unencumbered Cash, Beginning	18,000	18,000		
Unencumbered Cash, Ending	\$ 18,000	\$ 18,393		

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

TECHNOLOGY REVOLVING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012 Actual</u>	<u>2013 Actual</u>
Receipts:		
Rental fees and books	\$ 19,455	\$ 19,614
Expenditures:		
Instruction - Supplies	<u>2,850</u>	<u>2,605</u>
Receipts Over (Under) Expenditures	16,605	17,009
Unencumbered Cash, Beginning	<u>33,468</u>	<u>50,073</u>
Unencumbered Cash, Ending	<u>\$ 50,073</u>	<u>\$ 67,082</u>

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

VOCATIONAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Transfer from General Fund	\$ 98,196	\$ -	\$ 87,526	\$ (87,526)
Transfer from Supplemental General Fund	-	143,000	15,565	127,435
Total Receipts	98,196	143,000	\$ 103,091	\$ 39,909
Expenditures:				
Instruction -				
Certified salaries	69,540	106,228	\$ 81,195	\$ 25,033
Insurance	9,328	9,801	9,550	251
Social Security	5,346	12,332	5,473	6,859
Other employee benefits	332	382	340	42
Teaching supplies	-	-	5,000	(5,000)
Textbooks	-	-	2,000	(2,000)
Property and equipment	-	-	4,500	(4,500)
Other	-	-	12,500	(12,500)
School Administration -				
Administrative Salaries	11,107	11,407	12,000	(593)
Insurance	1,667	1,631	1,685	(54)
Social Security	856	875	875	-
Other employee benefits	20	16	25	(9)
Student Transportation Services -				
Non-certified salaries	-	-	6,500	(6,500)
Supplies	-	-	1,500	(1,500)
Total Expenditures	98,196	142,672	\$ 143,143	\$ (471)
Receipts Over (Under) Expenditures	-	328		
Unencumbered Cash, Beginning	175,000	175,000		
Unencumbered Cash, Ending	\$ 175,000	\$ 175,328		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012 Actual</u>	<u>2013</u>		<u>Variance Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from General Fund	\$ -	\$ -	\$ 50,000	\$ (50,000)
Transfer from Supplemental General Fund	-	2,000	-	2,000
	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total Expenditures	-	2,000	\$ 50,000	\$ (48,000)
	<u>-</u>	<u>2,000</u>	<u>\$ 50,000</u>	<u>\$ (48,000)</u>
Expenditures:				
Instruction -				
Certified salaries	150	1,500	\$ 45,000	\$ (43,500)
Social Security	10	108	525	(417)
Other employee benefits	-	2	25	(23)
Supplies	-	-	10,917	(10,917)
	<u>-</u>	<u>-</u>	<u>10,917</u>	<u>(10,917)</u>
Total Expenditures	160	1,610	\$ 56,467	\$ (54,857)
	<u>160</u>	<u>1,610</u>	<u>\$ 56,467</u>	<u>\$ (54,857)</u>
Receipts Over (Under) Expenditures	(160)	390		
Unencumbered Cash, Beginning	6,627	6,467		
	<u>6,627</u>	<u>6,467</u>		
Unencumbered Cash, Ending	\$ 6,467	\$ 6,857		
	<u>\$ 6,467</u>	<u>\$ 6,857</u>		

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
State Sources - KPERS	\$ 755,384	\$ 660,104	\$ 737,606	\$ (77,502)
Expenditures:				
Employee Benefits -				
Instruction	490,999	435,670	\$ 488,606	\$ (52,936)
Student Support	52,877	46,207	50,000	(3,793)
Instructional Support	30,215	26,404	30,000	(3,596)
General Administration	37,769	33,005	35,000	(1,995)
School Administration	45,323	39,606	42,000	(2,394)
Other Supplemental Services	15,108	13,202	15,000	(1,798)
Operations & Maintenance	45,323	39,606	43,000	(3,394)
Student Transportation Services	15,108	13,202	14,000	(798)
Food Service	22,662	13,202	20,000	(6,798)
Total Expenditures	755,384	660,104	\$ 737,606	\$ (77,502)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

CARL PERKINS CONSORTIUM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2013
(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012 Actual</u>	<u>2013 Actual</u>
Receipts:		
Federal aid	\$ 3,664	\$ 4,411
Expenditures:		
Instruction -		
Certified salaries	402	-
Social Security	1	-
Staff travel	1,261	1,704
Property and equipment	<u>2,000</u>	<u>2,707</u>
Total Expenditures	<u>3,664</u>	<u>4,411</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
Receipts:		
Transfer from General Fund	\$ -	\$ -
Expenditures:	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>626,753</u>	<u>626,753</u>
Unencumbered Cash, Ending	<u>\$ 626,753</u>	<u>\$ 626,753</u>

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 216,209	\$ 212,621
Miscellaneous reimbursements	-	495
Total Receipts	<u>216,209</u>	<u>213,116</u>
Expenditures:		
Instruction -		
Certified salaries	155,536	180,549
Other employee benefits	32,673	31,870
Purchased professional services	3,821	181
Supplies	21,456	-
Other	500	516
Total Expenditures	<u>216,209</u>	<u>213,116</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

TITLE II-A TEACHER QUALITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 35,650	\$ 35,534
Miscellaneous reimbursements	-	546
	<u>35,650</u>	<u>36,080</u>
Total Receipts		
Expenditures:		
Instruction -		
Salaries	722	-
Purchased professional services	32,074	34,728
Purchased property services	2,750	-
Supplies	104	1,352
	<u>35,650</u>	<u>36,080</u>
Total Expenditures		
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Unified School District Number 405
Lyons, Kansas**

SPECIAL PURPOSE FUND

TITLE VI-B DISCRETIONARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012 Actual</u>	<u>2013 Actual</u>
Receipts:		
Federal aid	\$ 22,084	\$ 22,084
Expenditures:		
Instruction -		
Certified salaries	12,784	10,709
Purchased professional services	5,871	7,419
Teaching supplies	2,217	3,757
Other	<u>1,212</u>	<u>199</u>
Total Expenditures	<u>22,084</u>	<u>22,084</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

OTHER FEDERAL FUNDS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 17,188	\$ 17,567
Expenditures:		
Instruction -		
Purchased professional and technical services	-	9,405
Other tuitions	7,444	-
Supplies	9,744	8,162
Total Expenditures	<u>17,188</u>	<u>17,567</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

Unified School District Number 405
Lyons, Kansas

SPECIAL PURPOSE FUND

GIFTS AND GRANTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	<u>2012</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
Receipts:		
Contributions	\$ 56,525	\$ 15,376
Miscellaneous reimbursements	<u>12,134</u>	<u>2,065</u>
Total Receipts	68,659	17,441
Expenditures:		
Instruction - Supplies	<u>63,442</u>	<u>17,115</u>
Receipts Over (Under) Expenditures	5,217	326
Unencumbered Cash, Beginning	<u>5,839</u>	<u>11,056</u>
Unencumbered Cash, Ending	<u>\$ 11,056</u>	<u>\$ 11,382</u>

Unified School District Number 405
Lyons, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2013

(With Comparative Actual Totals for the Prior Year Ended June 30, 2012)

	2012 Actual	2013		Variance Over (Under)
		Actual	Budget	
Receipts:				
Taxes and Shared Revenue:				
Ad valorem property				
Prior year	\$ 5,866	\$ 4,043	\$ 8,694	\$ (4,651)
Current year	249,982	265,636	250,245	15,391
Delinquent tax	6,512	7,934	6,811	1,123
Motor vehicle tax	23,270	27,765	26,673	1,092
Recreational vehicle tax	355	455	404	51
In lieu of taxes - industrial revenue bonds	673	697	-	697
State aid	156,874	167,909	167,909	-
Total Receipts	<u>443,532</u>	<u>474,439</u>	<u>\$ 460,736</u>	<u>\$ 13,703</u>
Expenditures:				
Interest	143,985	130,535	\$ 130,636	\$ (101)
Principal	280,000	300,000	300,000	-
Total Expenditures	<u>423,985</u>	<u>430,535</u>	<u>\$ 430,636</u>	<u>\$ (101)</u>
Receipts Over (Under) Expenditures	19,547	43,904		
Unencumbered Cash, Beginning	<u>291,040</u>	<u>310,587</u>		
Unencumbered Cash, Ending	<u>\$ 310,587</u>	<u>\$ 354,491</u>		

**Unified School District Number 405
Lyons, Kansas**

TRUST FUNDS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2013

	<u>John Lawrence</u>	<u>Needy Children</u>	<u>Total (Memo Only)</u>
Receipts:			
Contributions	\$ -	\$ 793	\$ 793
Interest	<u>1</u>	<u>-</u>	<u>1</u>
Total Receipts	1	793	794
Expenditures:			
Scholarships	<u>-</u>	<u>861</u>	<u>861</u>
Receipts Over (Under) Expenditures	1	(68)	(67)
Unencumbered Cash, Beginning	<u>826</u>	<u>3,362</u>	<u>4,188</u>
Unencumbered Cash, Ending	<u>\$ 827</u>	<u>\$ 3,294</u>	<u>\$ 4,121</u>

**Unified School District Number 405
Lyons, Kansas**

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended June 30, 2013

	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Middle School -				
Builders Club	\$ 1,270	\$ 1,427	\$ 1,520	\$ 1,177
Cheerleaders	199	1,112	765	546
DFYIT	186	-	88	98
FACS	41	-	19	22
Scholar's Bowl	173	341	376	138
Student Council	354	229	99	484
High School -				
Art Club	80	50	-	130
Class of 2013	6	450	415	41
Class of 2014	1,325	3,505	4,584	246
Class of 2015	727	1,401	288	1,840
Class of 2016	-	1,173	233	940
Family Career & Community	572	1,777	1,949	400
Foreign Language Club	274	137	120	291
Letterman Club	2,255	200	-	2,455
National Honor Society Club	1,079	677	554	1,202
ROTC Student	698	8,792	7,305	2,185
Scholar's Bowl	285	285	74	496
Student Council	1,297	3,332	3,349	1,280
	<hr/>	<hr/>	<hr/>	<hr/>
Total Student Organization Funds	10,821	24,888	21,738	13,971
Health Insurance	55,219	3,812	-	59,031
High School Activity Fund Sales Tax	258	7,130	7,388	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Agency Funds	<u>\$ 66,298</u>	<u>\$ 35,830</u>	<u>\$ 29,126</u>	<u>\$ 73,002</u>

**Unified School District Number 405
Lyons, Kansas**

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended June 30, 2013

	<u>Beginning Unencumbered Cash Balance</u>	<u>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:						
Middle School -						
Athletics	\$ 656	\$ 12,574	\$ 11,799	\$ 1,431	\$ -	\$ 1,431
High School -						
Athletics	-	84,920	84,920	-	-	-
Total Gate Receipts	<u>656</u>	<u>97,494</u>	<u>96,719</u>	<u>1,431</u>	<u>-</u>	<u>1,431</u>
School Projects:						
Central Elementary School -						
Student Project	1,129	3,733	3,516	1,346	-	1,346
Park Elementary School -						
Student Project	6,598	6,876	8,795	4,679	-	4,679
Middle School -						
Library	118	1,006	1,079	45	-	45
Student Assistance	1,616	1,945	2,121	1,440	-	1,440
Yearbook	1,370	2,830	1,507	2,693	-	2,693
High School -						
Band Trip	2,850	7,528	4,331	6,047	-	6,047
Baseball Student Projects	114	3,667	1,694	2,087	-	2,087
Boys Basketball Uniforms	1,436	3,103	3,217	1,322	-	1,322
Boys Golf	10	-	-	10	-	10
Cheerleader Uniforms	320	6,605	4,676	2,249	297	2,546
Cross Country	1	-	-	1	-	1
Football	383	375	140	618	-	618
Girls Basketball Student Project	127	2,395	2,128	394	-	394
National Forensics	719	5,989	5,726	982	-	982
Photography	173	266	138	301	-	301
Science/Sci. Olympiad	206	-	100	106	-	106
Softball Student Project	1,440	500	-	1,940	-	1,940
Special Education Student Projects	1,089	838	1,030	897	-	897
Track Student Project	248	-	-	248	-	248
Video Production	1,041	1	-	1,042	-	1,042
Vocal Music	5,840	1,498	1,422	5,916	-	5,916
Volleyball Student Projects	401	-	-	401	-	401
Wrestling Student Project	280	1,427	1,411	296	-	296
Yearbook	829	11,464	10,549	1,744	-	1,744
Total School Projects	<u>28,338</u>	<u>62,046</u>	<u>53,580</u>	<u>36,804</u>	<u>297</u>	<u>37,101</u>
Total District Activity Funds	<u>\$ 28,994</u>	<u>\$ 159,540</u>	<u>\$ 150,299</u>	<u>\$ 38,235</u>	<u>\$ 297</u>	<u>\$ 38,532</u>

**UNIFIED SCHOOL DISTRICT NUMBER 405
LYONS, KANSAS**

**OTHER
SUPPLEMENTARY INFORMATION**

FISCAL YEAR ENDED JUNE 30, 2013

**Unified School District Number 405
Lyons, Kansas**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2013

<u>Pass-Through Grantor/ Federal Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Passed through Kansas Department of Education			
School Breakfast Program	10.553	DO405	\$ 62,426
National School Lunch Program	10.555	DO405	260,244
Summer Reimbursement	10.559	DO405	10,038
Child and Adult Care Food Program	10.558	DO405	4,333
Fresh Fruit and Vegetable Program	10.582	DO405	<u>5,161</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>342,202</u>
<u>U.S. Department of Education</u>			
Passed through Kansas Department of Education			
Title I Grants to Local Educational Agencies	84.010	DO405	212,621
Title II-A - Improving Teacher Quality	84.367	DO405	35,534
Title III, Part A English Language Acquisition	84.365	DO405	17,547
Special Education - Grants to States - IDEA Part B	84.027	DO405	399,091
Special Education - Discretionary Spending Projects	84.027	DO405	22,084
Special Education - Preschool Grants	84.173	DO405	24,138
Passed through ESSDACK			
Title I, Part C - Carl Perkins Vocational Education	84.048	DO405	4,411
Passed through Northwest Kansas Education Service Center			
Migrant Education	84.011	DO405	<u>36,955</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>752,381</u>
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,094,583</u>

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District Number 405, Lyons, Kansas, and is presented 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, the same as the financial statement accompanying this schedule.

**UNIFIED SCHOOL DISTRICT NUMBER 405
LYONS, KANSAS**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2013**

FINDINGS AND QUESTIONED COSTS- MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. DEPARTMENT OF EDUCATION

Special Education Cluster CFDA Number 84.027 and 84.173

NONE

Title I, Part A Cluster CFDA Number 84.010

NONE

UNIFIED SCHOOL DISTRICT NUMBER 405
LYONS, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statement of Unified School District Number 405, Lyons, Kansas.
2. Significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of Unified School District Number 405, Lyons, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Unified School District Number 405, Lyons, Kansas, expressed an unqualified opinion on all major federal programs.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as a major program included:

	<u>CFDA No.</u>
Child Nutrition Cluster:	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559

8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Unified School District Number 405, Lyons, Kansas did qualify as a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

SIGNIFICANT DEFICIENCY

Number 2013-01 Financial Statement Reporting

Condition: Our firm has been asked to prepare the financial statement for the District; however, our firm cannot be considered part of the internal control structure of the District in regard to the preparation of the financial statement.

Criteria: The District prepares its financial statement in accordance with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, in accordance with the reporting and formatting requirements displayed in the *Kansas Municipal Audit and Accounting Guide (KMAAG)*.

Effect: We consider this condition related to external financial statement and other supplemental information preparation to be a significant deficiency under the standards established by the American Institute of Certified Public Accountants.

Cause: District personnel do have the skill and knowledge to process all the basic financial transactions and the ability to issue the internal financial statements needed to provide appropriate budget and operating information to the District governing body on an as needed basis. However, the District either has no documented policy or procedures related to the preparation of the external financial statement and other supplemental information and/or the policies and procedures are not implemented and adequately followed to ensure the accuracy and completeness of the external financial statement and other supplemental information.

Recommendation: To strengthen internal control over financial statement preparation, we recommend:

- a) Obtain a current copy of the Kansas Municipal Audit and Accounting Guide (KMAAG);
- b) Participate in a training session on financial statement preparation and review; and
- c) Adopt a policy that annual financial statements will be reviewed prior to being subjected to audit.

C. FINDINGS AND QUESTIONED COSTS- MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. DEPARTMENT OF AGRICULTURE

Child Nutrition Cluster CFDA Numbers 10.553, 10.555 and 10.559

NONE