

Unified School District No. 497

South Middle School

Lawrence, Kansas

Financial Statements

For the Year Ended June 30, 2011



INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Education
Unified School District No. 497
Lawrence, Kansas

We have compiled the accompanying Statement of Cash Receipts and Cash Disbursements for the year ended June 30, 2011 of the South Middle School Activity Funds. We have not audited or reviewed the accompanying Statement of Cash Receipts and Cash Disbursements and, accordingly, do not express an opinion or provide any assurance on it.

The management of the Unified School District No. 497 is responsible for the preparation and fair presentation of the financial statements in accordance with the Kansas prescribed basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all the disclosures required by the Kansas prescribed basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the cash receipts, cash disbursements, and cash balances of the South Middle School Activity Funds. Accordingly, this financial statement is not designed for those who are not informed about such matters.

The independent accountant's report on applying agreed upon procedures follows this report.

January 11, 2012



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Education
Unified School District No. 497
Lawrence, Kansas

We have performed the procedures enumerated below in procedures 1 through 6, which were agreed to by the District solely to assist the District in evaluating the Statement of Cash Receipts and Cash Disbursements of the South Middle School Activity Funds for the year ended June 30, 2011, and determining compliance with certain Kansas statutes. The District is responsible for the subject matter of this engagement. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the District. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed are summarized as follows:

1. Cash Receipts. We randomly selected sixty students from independently maintained files and for those students, determined the status of fees that they had incurred during the school year by tracing cash receipts from the receipt book to the records and from the records to the bank statement. As of June 30, 2011, these fees could be paid, waived or unpaid. Of the sixty students that we selected, eighteen had unpaid fees as of June 30, 2011 related to the current school year. The total unpaid fees at June 30, 2011 for South Middle School was \$29,432. No discrepancies were noted.

We recommend continuous monitoring of cash receipting procedures at the Middle School to ensure that adequate separation of duties is maintained. This means that the same person should not have both physical and accounting control over cash receipts.

2. Cash Disbursements. For sixty randomly selected cash disbursements, we traced the disbursements from the records to the related invoice, the bank statement and canceled check and reviewed the propriety of the disbursements. No discrepancies were noted.

3. Encumbrances and Accounts Payable. We have examined evidence of outstanding encumbrances and accounts payable. The evidence is consistent with the related amount shown on the financial statement.

4. Year-End Cash. We performed a proof of cash for the year and have tied the ending cash balance to the year-end bank reconciliation and other documents evidencing year-end cash. No discrepancies were noted.

www.mizehouser.com ■ mhco@mizehouser.com

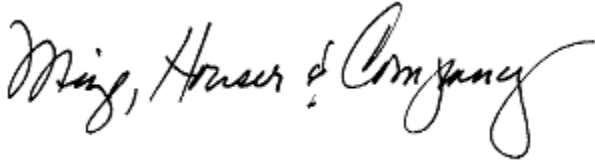
534 S Kansas Ave, Suite 700 ■ Topeka, KS 66603-3465 ■ 785.233.0536 p ■ 785.233.1078 f
534 S Kansas Ave, Suite 400 ■ Topeka, KS 66603-3454 ■ 785.234.5573 p ■ 785.234.1037 f
7101 College Blvd, Suite 900 ■ Overland Park, KS 66210-1984 ■ 913.451.1882 p ■ 913.451.2211 f
120 E Ninth ■ Lawrence, KS 66044-2682 ■ 785.842.8844 p ■ 785.842.9049 f
900 Massachusetts, Suite 301 ■ Lawrence, KS 66044-2868 ■ 785.749.5050 p ■ 785.749.5061 f

5. Comparison of Current Year Financial Statements to Prior Year. We compared total cash receipts, total cash disbursements, outstanding encumbrances and accounts payable, and ending unencumbered cash balance for the current year with the same financial statement items for the prior year. No unexplained variances exceeding 25 percent were found.

6. Compliance with Kansas Statutes. We performed procedures, including those discussed above, to determine compliance with certain Kansas statutes. No instances of non-compliance with Kansas statutes were noted.

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Board of Education and Administration of the District and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

A handwritten signature in cursive script that reads "King, Horner & Company".

January 11, 2012

UNIFIED SCHOOL DISTRICT NO. 497
 South Middle School
 Activity Funds
 Statement of Cash Receipts and Cash Disbursements
 For the Year Ended June 30, 2011

	Beginning Cash <u>Balance</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending Cash <u>Balance</u>
<u>Student Organizations</u>				
Junior Players	\$ 4,761	\$ 2,980	\$ 6,221	\$ 1,520
Car Club	47	-	-	47
International Club	186	-	-	186
Adventure Club	4,392	3,765	3,857	4,300
Physical Education	1,760	-	-	1,760
Student Council	373	9,667	7,114	2,926
Yearbook	-	8,761	8,711	50
South Singers	802	3,966	3,777	991
Cheerleaders	861	-	-	861
Band	41	2,653	2,391	303
Orchestra	5,801	11,593	10,900	6,494
Black Male Brothers	570	186	107	649
Women of Color	548	720	922	346
Native American Youth Leaders	21	-	-	21
Spanish Club	568	-	-	568
Chess Club	-	1	-	1
Rodeo Club	152	-	70	82
Spirit Club	44	-	-	44
Honor the Circle	183	-	45	138
	<u>21,110</u>	<u>44,292</u>	<u>44,115</u>	<u>21,287</u>
Total Student Organizations				
<u>District Activity Funds</u>				
Athletics	-	3,826	3,826	-
Athlete Assistance Fund	-	828	828	-
Basketball - Girls	-	15	15	-
Special Projects - 8th Grade	-	52	52	-
Boys' Basketball	-	33	33	-
Track	15	11,980	11,950	45
NSF Rebate	-	40	35	5
Special Ed - Recycling	-	134	134	-
Academic Rewards	-	1,349	1,349	-
Home Ec	-	304	304	-
	<u>15</u>	<u>18,561</u>	<u>18,526</u>	<u>50</u>
Total District Activity Funds				

UNIFIED SCHOOL DISTRICT NO. 497
 South Middle School
 Activity Funds
 Statement of Cash Receipts and Cash Disbursements
 For the Year Ended June 30, 2011

	Beginning Cash <u>Balance</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending Cash <u>Balance</u>
<u>Fee Funds</u>				
Library	\$ -	\$ 368	\$ 368	\$ -
Photography	-	9	9	-
Workbooks	-	936	936	-
Art	-	1,047	1,047	-
Home Ec - Foods	-	406	406	-
Home Ec - Sewing	-	55	55	-
Textbooks - Lost/Damaged	-	1,131	1,131	-
Explorations in Technology	-	344	344	-
Home Ec - Family & Consumer Science	-	210	210	-
Enroll: TBR	-	18,509	18,509	-
Enroll: Supl/Dist	-	13,634	13,634	-
Enroll: Instructional Materials	-	4,051	4,051	-
Enroll: Technology Materials	-	2,720	2,720	-
Enroll: Activity Trip/Transportation	-	4,097	4,097	-
Enroll: Co-Curricular Fee	-	3,524	3,524	-
Participation Fee - Dist	-	6,342	6,342	-
Overpayments	-	40	40	-
Course Fees	-	3,827	3,827	-
Instrument Maintenance Fee	-	789	789	-
	<u>-</u>	<u>62,039</u>	<u>62,039</u>	<u>-</u>
Total Fee Funds	-	62,039	62,039	-
<u>Revolving Accounts</u>				
Petty Cash	6	8	-	14
Clearing Account	-	195	195	-
Sales Tax	-	3,574	3,574	-
	<u>6</u>	<u>3,777</u>	<u>3,769</u>	<u>14</u>
Total Revolving Accounts	6	3,777	3,769	14
<u>Trust Funds</u>				
SJHS/Alexander	1,000	-	201	799
SJHS/Haskell CoOp	152	-	-	152
SJHS/Optimists	328	-	282	46
SJHS/McDonald's	202	-	-	202
Cougar Relief	87	507	105	489
	<u>1,769</u>	<u>507</u>	<u>588</u>	<u>1,688</u>
Total Trust Funds	1,769	507	588	1,688
Totals	<u>\$ 22,900</u>	<u>\$ 129,176</u>	<u>\$ 129,037</u>	<u>\$ 23,039</u>

See Independent Accountant's Report on Applying Agreed-Upon Procedures.