



Excellence • Equity • Engagement  
for **ALL** Students



## **BOARD OF EDUCATION AGENDA**

December 8, 2014

The Board of Education of Lawrence Public Schools, USD 497, will meet in the Interactive Technology Center (First Floor) of the Educational Support & Distribution Center, 110 McDonald Drive, Lawrence, Kansas, at 7 p.m.

### **Call to Order**

### **Approval of Agenda**

### **Special Recognition**

#### **Lawrence High School Student Engineering Design Contest Champions**

- Charlie Lauts, career & technical education teacher

#### **Lawrence High School Interpersonal Skills Program Unified Sports Basketball Team Medalists**

- Susie Micka, reading specialist

### **Recognition of Audience**

### **CONSENT AGENDA (ITEMS MARKED WITH \*)**

Consent Agenda items are those that are considered routine and are adopted by one motion, unless any Board Member or the Superintendent requests that an item be removed. The item/items removed are voted on separately.

Motion: "I move the Board of Education adopt the items listed on the Consent Agenda."

#### **Minutes\***

November 24, 2014 regular meeting

#### **Personnel Report\***

#### **Monthly Vouchers\***

#### **Approvals\***

1. Board Policy Committee Recommendations – Final Action
2. Authorization to Issue Vendor Checks
3. Acceptance of Audit for FY June 30, 2014
4. Funding of Third Year Contract with Gallup Consulting
5. Proposed Sign & Donation – Sunset Hill
6. Purchase of Furniture: Casework – New York, Hillcrest, Kennedy
7. Contract for Storage Area Network

Board of Education Agenda, 2  
December 8, 2014

8. Purchase of HVAC Equipment – West
9. Technology Package – New York

### **Report of President of Board of Education**

### **Report of Superintendent of Schools**

### **Board Commentary**

### **Old Business**

#### **Approval of Bid & Resolution for General Obligation Bonds**

- Kyle Hayden, assistant superintendent, business & operations
- Kathy Johnson, director, finance

#### **Approval of Bond Construction Bids – Sunset Hill Elementary School**

- Kyle Hayden, assistant superintendent, business & operations
- Dean Youngers, construction manager, bond projects

#### **Boundary Advisory Committee Report & Recommendations**

- Kyle Hayden, assistant superintendent, business & operations

### **New Business**

### **Adjournment**

### **Future Agenda Items**

Report: Enrollment

Report: Safe Routes to School Planning

### **Announcements**

December 22-January 2 – Winter Break

**2015**

January 8      Equity Council Meeting, ESDC

January 12     Regular Board Meeting, ESDC

6 p.m.

7 p.m.

**MINUTES OF THE MEETING OF THE BOARD OF EDUCATION  
OF DISTRICT 497, HELD IN THE LAWRENCE PUBLIC SCHOOLS  
INTERACTIVE TECHNOLOGY CENTER,  
EDUCATIONAL SUPPORT AND DISTRIBUTION CENTER,  
110 McDONALD DRIVE, IN THE CITY OF LAWRENCE**

**November 24, 2014**

**CALL TO ORDER**

At 7 p.m., Board President Shannon Kimball called to order the regular meeting of the Board of Education.

**APPROVAL OF AGENDA**

Upon a motion by Vanessa Sanburn, seconded by Bob Byers, the board voted, in a unanimous voice vote, to approve the agenda as published.

**ROLL CALL**

**Board Members Present**

Shannon Kimball, president  
Vanessa Sanburn, vice president  
Kris Adair  
Bob Byers  
Marcel Harmon  
Rick Ingram  
Randy Masten

**SAT Members Present**

Rick Doll, superintendent  
Kyle Hayden, assistant superintendent,  
business & operations  
Angelique Kobler, assistant superintendent,  
teaching & learning  
Jerri Kemble, assistant superintendent,  
educational programs & technology  
Julie Boyle, director, communications  
Janice Dunn, clerk

**Others Present (Including Administration and Staff)**

Keath Allen	Charlotte Anderson	Andy Bauch	Dan Covington
Lucy Flynn	Laura Folsom	Connie Grimes	Erica Haas
Kyra Haas	Kevin Harrell	Taylor Hawkins	Susan Henderson
Kayla Hoppe	Elliot Hughes	Denise D. Johnson	Kathy Johnson
MaryBeth Karlin	Pat Karlin	Tori Karlin	Darian Koenig
Jeff Lamb	Ryan Liston	Thomas W. Lowe	Ron May
Fiona McAllister	Steve McAllister	Suzanne McAllister	Scott McCullough
Mike McNellis	Kirk Miles	Shelley Miles	Amy Miller
John Monaghan	John J. Monaghan, Jr.	Karen Moore	Stephen Moore
Phillip Moreano	Sara Moreano	Sydney Moreano	Adina Morse
Paula Murrish	Kenneth Palmer	Erika Plumlee	Lauren Reinhold
Drake Riner	Meg Rogers	Stan Roth	Libby Stanford
Jeanne Thomsen	Samantha Travis	Ryan Walkiewicz	Bret Watson
Erica Wheat	Jody Willmott	Raumie Wilson	Cale Yost
Maureen Yost	Gavin Young	Ed Zeller	

## **SPECIAL RECOGNITION**

### Free State High School Student Journalism Honors

Laurie Folsom, Free State journalism/graphic design teacher, members of *The Free Press* newspaper staff and members of *The Talon* yearbook staff were recognized for awards received recently from the National Scholastic Press Association (NSPA) convention held in Washington, D.C.

*The Free Press* received the NSPA Pacemaker Finalist Award for 2013-14 and is among the top 50 student newspapers (and the top ten for schools the same size as Free State) in the United States.

*The Talon* received the "Best in Show" award for the 2014 "We Are Here" edition of the yearbook and was among the top ten yearbook publications represented at the convention. The staff is awaiting the pronouncement for NSPA Pacemaker Finalist Awards for yearbooks.

## **RECOGNITION OF AUDIENCE**

President Kimball asked for public comment on any item not included on the agenda. There was none.

## **APPROVAL OF CONSENT AGENDA**

Following a motion by Vanessa Sanburn, seconded by Bob Byers, the board voted, in a 7-0 roll call vote, to adopt the items listed on the consent agenda.

The consent agenda included the following:

- The minutes of the November 10, 2014 regular meeting
- The financial reports including school activity funds, budget to actual, cash summary
- The November 24, 2014 personnel report
- The monthly vouchers in the following account totals:

<u>Fund</u>	<u>Amount</u>
General	\$ 494,163.99
Local Option Budget	187,053.47
Food Service	198,863.41
Vocational Education	2,485.27
Special Education	401,759.10
Capital Outlay	211,381.98
Adult Basic Education	234.00
Virtual School	1,559.55
Professional Development	559.00
Bilingual Fund	111.00
Student Materials Revolve	4,040.92
At Risk (K-12)	59.92
Work Comp Reserve	1,506.00
2013 Bonds	169,466.75
Payroll Fund	2,580,127.63
Title I 2015	376.77
Title I C/O 2015	13,455.00
Title In Ed 2015	62.05

### Approval of Consent Agenda ~ Monthly Vouchers (Continued)

Johnson O'Malley In Ed 2014	249.25
Title III-ESL 2014	110.00
Spectra-Medicaid	98.45
Loc/Don/Gra	164.07
<b>TOTAL</b>	<b><u>\$4,267,887.58</u></b>

- Approvals of the following:
  - Purchase of Kitchen Equipment – Sunset Hill & West
  - Board Policy Committee Recommendations
  - Agreement for Consulting Services & Facilitation of CI3T at Secondary Buildings

On behalf of the Board of Education, Vice President Vanessa Sanburn acknowledged and expressed sincere appreciation to the following:

...*Annette Bennett* for her 24 years of service and devotion to this community and its schools upon her early retirement effective January 16, 2015.

...*Jo Garrett* for her 11 years of service and devotion to this community and its schools upon her retirement effective October 31, 2014.

### REPORT OF BOARD PRESIDENT SHANNON KIMBALL

- Board President Shannon Kimball reported that she attended last week the district's Friends of Education reception, as part of American Education Week, where one or two volunteers from each school were recognized. She thanked those parents and community members for all of the amazing things they do for our schools.
- Ms. Kimball reported that she also attended last week the annual recognition by the Lawrence Schools Foundation of Mr. William Dann for his continued support of the Early Childhood Program at Kennedy Elementary School. She noted that he has contributed over \$700,000 to the program. Also recognized were outstanding community members, Nancy O'Connor from The Merc for her work with the school garden programs and former board member and board president, Rich Minder, for his work with Success by 6.

### REPORT OF SUPERINTENDENT RICK DOLL

- Superintendent Rick Doll congratulated Lawrence High senior *Brian Chang* who scored a perfect 36 on the ACT exam taken in October and *Megan Towle* who was selected to march with The Great American Marching Band at the 88<sup>th</sup> Macy's Thanksgiving Day Parade in New York City.
- He reminded board members and patrons that schools will be closed Wednesday through Friday for Fall Break.
- Dr. Doll thanked the district's Boundary Advisory Committee for the difficult work they have done to bring the decisions in regard to boundaries to this meeting. He stated that they are doing an excellent job of figuring out what is best for students.

### BOARD COMMENTARY

There was no board commentary.

## **REPORTS**

### **KASB Legislative Priorities**

Shannon Kimball, board president, reported that she will attend the Delegate Assembly of the 2014 KASB Annual Convention on December 7 where she will represent the USD 497 Board of Education in voting on the adoption of the association's priorities for the upcoming legislative session. She highlighted the priority resolution, *Successful Students, the Kansas Way*, which supports the Rose Standards, adopted by the Kansas Legislature, Governor and Supreme Court, through implementation of the Kansas State Board of Education's new definition of College and Career Ready Standards, and achievement of the goals in the Kansas Board of Regents' Foresight 2020 Plan. A plan of action within the resolution calls for standards, funding and local leadership that will help to produce successful students who are prepared for life, competitive in the global economy and leaders in our state and country.

Ms. Kimball encouraged board members to let her know if there is anything for which board members want her to advocate while at the assembly.

## **OLD BUSINESS**

### **Local Option Budget Mail-Ballot Election Report & Change in Ballot Language**

Rick Doll, superintendent, reported on the upcoming election through a PowerPoint presentation he is utilizing to educate the community on the Local Option Budget (LOB), its purpose, and the requirement for using a mail-ballot. He said a positive vote will give the Board of Education permission to continue to have the authority to adopt a Local Option Budget, in any school year, in an amount not to exceed 33% of the amount of state financial aid determined for the school year. He stressed that the district is not asking for anything it does not presently have and that taxes will not go up should the question pass.

Following his presentation, Dr. Doll stated that there has been some discussion between administration and board officers about the possibility of contracting with Patron Insight, as was done prior to the bond election, to do a short survey to obtain a "snapshot" of patron support and ways to help educate the public. He reported that the company would do a 400 telephone, scientific survey at the cost of \$8,000. He said no action needs to be taken, but there needs to be consensus among board members. Following a short discussion, board members voiced their support for the survey.

It was also recognized that administration has recommended a change in the mail-ballot language approved on September 22, 2014, to clarify that electors are authorizing the board to maintain its 33% LOB authority.

Upon a motion by Shannon Kimball, seconded by Randy Masten, the board voted, in a 7-0 roll call vote, to approve the (attached) revised ballot language for the January 27, 2015 election for maintaining a 33% Local Option Budget, continuous and permanent. (See Attachment No. 1)

### **Boundary Advisory Committee Report & Recommendations**

Kyle Hayden, assistant superintendent, business and operations, reviewed the information shared at the November 24 meeting of the Board of Education in regard to enrollment numbers, public input, and boundary committee responses to that input. He then highlighted the boundary recommendations from the committee which were the same as the original ones presented on September 22.

**Old Business ~ BAC Report & Recommendations (Continued)**

Board Member Rick Ingram, chair of the Boundary Advisory Committee, recalled what prompted the formation of the committee and guidelines and reported on the process that its members have gone through to reach the boundary recommendations.

Board President Shannon Kimball recognized patrons who wished to speak about the Boundary Advisory Committee recommendations.

Patrons spoke in regard to safety, school communities and traffic associated with the Deerfield Elementary to Sunset Hill Elementary recommendation and capacity or potential overcrowding associated with the one for Quail Run Elementary to West Middle School.

Those speaking included the following:

John Monaghan  
Ryan Walkiewicz  
Maureen Yost  
Andy Bauch  
Gavin Young  
Scott McCullough  
Ed Zeller  
Lauren Reinhold

Following was a lengthy board discussion in regard to potential safety and overcrowding issues and the possibility that some students affected by some of the changes would face a “double split” with their peers when they begin middle school and then again when they enter high school.

From the discussion, the Boundary Advisory Committee was directed to meet once again to look at other options for Schwegler, Quail Run and Deerfield school communities and participate in additional public meetings. Recommendations will then be brought before the Board of Education for approval at its December 8 meeting.

**NEW BUSINESS**

There were no items of new business.

**ADJOURNMENT**

At 9:22 p.m., a motion was made by Bob Byers, seconded by Randy Masten, to adjourn the regular meeting of the Board of Education. The motion passed by a unanimous voice vote.

---

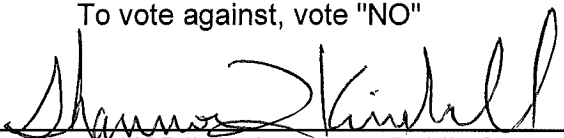
Janice E. Dunn  
Clerk, Board of Education

### BALLOT LANGUAGE

"Shall the Board of Education of Unified School District No. 497, Douglas County, State of Kansas, be authorized to maintain its local option budget authority at 33% of its state financial aid, and that this authorization be continuous and permanent."

To vote in favor, vote "YES"

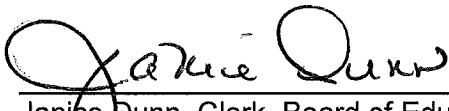
To vote against, vote "NO"

  
\_\_\_\_\_  
President, USD#497 Lawrence Public Schools

November 24, 2014  
Date

### CERTIFICATE

THIS IS TO CERTIFY that the above ballot language was duly adopted by the Board of Education of Unified School District No. 497, Douglas County, State of Kansas, at a scheduled board meeting on November 24, 2015.

  
\_\_\_\_\_  
Janice Dunn, Clerk, Board of Education



# PERSONNEL RECOMMENDATIONS

## CLASSIFIED PERSONNEL (12 MONTHS)

### NEW ASSIGNMENT

<u>Personnel</u>	<u>Effective</u>	<u>Location</u>	<u>FTE</u>	<u>Position</u>
ALCORN, JESSICA DAWN	12/01/2014	ESDC	0.6250	RECEPTIONIST
RASTOK, RYAN PATRICK	12/01/2014	MAINTENANCE	1.0000	ARBORIST SENIOR MAINT GROUNDS
SALSBURY JR, BENJIE	11/19/2014	MAINTENANCE	1.0000	CARPENTER/LOCKSMITH

### CHANGE POSITION

<u>Personnel</u>	<u>Effective</u>	<u>Location</u>	<u>FTE</u>	<u>Position</u>
LEDFORD, SHAWN M	12/22/2014	MAINTENANCE	1.0000	COORD MAINTENANCE
MCPHERSON JR, THOMAS LEE	12/22/2014	MAINTENANCE	1.0000	MAINTENANCE GENERAL
STRAUSS, MICHAEL C	12/04/2014	ESDC	1.0000	ADMIN SECRETARY LSF/LEAP

## CLASSIFIED PERSONNEL (LESS THAN 12 MONTHS)

### NEW ASSIGNMENT

<u>Personnel</u>	<u>Effective</u>	<u>Location</u>	<u>FTE</u>	<u>Position</u>
* FURST, JEANNE ELIZABETH	12/01/2014	WMS	0.9375	PARA EMOTIONALLY DISTURBED
GROM, MATTHEW PHILIP	12/01/2014	LHS	1.0000	FS WHSE DELIVERY DRIVER
* JOHNSON, TERI L	11/24/2014	DETENTION CNTR	0.9375	PARA INTERRELATED RESOURCE RM
* MYERS, HANNAH MARIE	12/01/2014	DISTRICT WIDE	0.9375	PARA SCHOOL PSYCH

### CHANGE FTE/HRs

<u>Personnel</u>	<u>Effective</u>	<u>Location</u>	<u>FTE</u>	<u>Position</u>
* BOYER, KIMBERLY SUZANNE	12/01/2014	SWMS	1.0000	PARA EMOTIONALLY DISTURBED
* BOYLE, BROCK PATRICK	12/01/2014	SWMS	1.0000	PARA EMOTIONALLY DISTURBED
* DAVIS, JODI SUE	12/01/2014	SWMS	1.0000	PARA EMOTIONALLY DISTURBED
* NOLAN, BRANDY VANESSA	12/01/2014	SWMS	1.0000	PARA EMOTIONALLY DISTURBED
* PARRISH, SARAH KATHLEEN	12/01/2014	SWMS	1.0000	PARA EMOTIONALLY DISTURBED
PHILLIPS, CINDY R	01/05/2015	WOODLAWN	0.9375	FOOD SERVICE MANAGER TRANSPORT

### CHANGE POSITION

<u>Personnel</u>	<u>Effective</u>	<u>Location</u>	<u>FTE</u>	<u>Position</u>
CHAVEZ, DIONNE J	11/30/2014	WOODLAWN	0.8750	PARA TITLE I

### RESIGNED

<u>Personnel</u>	<u>Effective</u>	<u>Location</u>	<u>FTE</u>	<u>Position</u>
* DUMMICH, LAUREN MICHELLE	12/05/2014	SUNFLOWER	0.3750	PARA INTERRELATED RESOURCE RM
DUMMICH, LAUREN MICHELLE	12/05/2014	SUNFLOWER	0.0625	NON INSTRUCTIONAL MONITOR
LEFFLER, TINA RENEE	12/02/2014	WOODLAWN	0.6250	FOOD SERVICE ASSISTANT I
MANSKE, CYNTHIA L	12/09/2014	SMS	0.9375	PARA INSTRUCTIONAL
* MCCOLLUM, SKYLA MARIE	11/25/2014	PRAIRIE PARK	1.0000	PARA EMOTIONALLY DISTURBED

## SUPPLEMENTAL PERSONNEL (RULE 10)

### NEW ASSIGNMENT

<u>Personnel</u>	<u>Effective</u>	<u>Location</u>	<u>FTE</u>	<u>Position</u>
BIGGERS, KATELYN	11/17/2014	LHS	1.0000	BASKETBALL ASST GIRLS COACH

**PERSONNEL RECOMMENDATIONS**

CAMPFIELD, NICHOLAS	11/17/2014	LFSHS	1.0000	BOWLING ASSITANT COACH
DALEY, JENNIFER ELIZABETH	11/17/2014	LFSHS	1.0000	BASKETBALL ASST GIRLS COACH
FINCHER, ROGER	11/17/2014	LFSHS	1.0000	WRESTLING ASSISTANT BOYS COACH
HARDING, JR, WESLEY MICHAEL	11/17/2014	LHS	1.0000	BASKETBALL ASST BOYS COACH
NOWAK, JACOB	11/17/2014	LHS	1.0000	WRESTLING ASSISTANT BOYS COACH
OJEDA, ELISSA	11/17/2014	LHS	1.0000	BASKETBALL ASST GIRLS COACH

\* = Special Education Budget

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Fund	Fund Description	Amount
001	GENERAL	294,539.14
002	LOCAL OPTION BUDGET	4,554.23
003	FOOD SERVICE	90,350.85
004	VOCATIONAL EDUCATION	5,817.25
005	SPECIAL EDUCATION	49,665.98
009	CAPITAL OUTLAY	143,189.83
018	VIRTUAL SCHOOL	146,020.12
020	PROFESSIONAL DEVELP	27,845.68
021	BILINGUAL FUND	1,348.11
022	PARENTS AS TEACHERS	405.09
024	STUDENTS MATLS REVOLVE	16,344.09
025	AT RISK (K-12)	26.66
029	2005 BOND FUND	427.20
035	2013 BONDS	2,988,705.91
095	PAYROLL FUND	360,346.58
200 15	TITLE I 2015	6,345.65
201 15	TITLE I C/O 2015	5,577.00
203 15	TITLE IN ED 2015	323.39
204 14	JOHNSON O'MALLEY INED 2014	1,272.17
208 15	CARL PERKINS 2015	46.00
213 14	TITLE III-ESL 2014	582.42
275	SPECTRA-MEDICAID	750.00
280 15	TITLE VIB 2015	15.00
400 15	KS MD SCHL ASP 2015	1,523.00
800	LOC/DON/GRA	5,232.32
<b>GRAND TOTAL</b>		<b>4,151,253.67</b>

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000002338	V0011918	MORGAN HUNTER EDUCATION	11/26/2014	71,132.55
0000002339	V0007323	IDENTISOURCE LLC	12/01/2014	5,581.32
0000002340	000008248	ABBOTT, MARSHA E	12/08/2014	21.73
0000002341	000002229	ALIGO, LINN D	12/08/2014	110.00
0000002342	V0006214	APPLE INC	12/08/2014	5,740.00
0000002343	000007518	ATTOCKNIE, JENNIFER L	12/08/2014	353.93
0000002344	000007996	BARMANN, ADAM	12/08/2014	1,016.00
0000002345	000003365	BASKA, LLARA	12/08/2014	39.82
0000002346	000001549	BAXTER, LISA C	12/08/2014	4.31
0000002347	000004210	BENTLEY, MARY E	12/08/2014	50.40
0000002348	000001575	BOWMAN, ROXANNA L	12/08/2014	10.58
0000002349	000010030	BROOKE-FRUENDT, PATRICIA ANN	12/08/2014	546.92
0000002350	000007962	BUSELT, VALISHA J	12/08/2014	32.42
0000002351	000005049	BUSH, LINDA K	12/08/2014	6.16
0000002352	V0004520	CDW GOVERNMENT INC	12/08/2014	932.00
0000002353	000009823	CHADWICK-FOWLER, LISA MARIE	12/08/2014	78.29
0000002354	V0011632	COMBES CONSTRUCTION LLC	12/08/2014	491,807.40
0000002355	000002372	CORNEJO, JOSE M	12/08/2014	126.45
0000002356	000008757	CORPENING, CHERI L	12/08/2014	11.65
0000002357	000002373	COX, JOHANNAH H	12/08/2014	43.51
0000002358	000004464	CURTISS, SUSAN M	12/08/2014	27.78
0000002359	000008245	DOLL, RICHARD D	12/08/2014	54.30
0000002360	000009341	DOWNER, VICKI S	12/08/2014	18.48
0000002361	000009386	EDWARDS, KYLEIGH A	12/08/2014	2,000.00
0000002362	000002444	FERNANDEZ, DANIRA L	12/08/2014	467.60
0000002363	000008238	FINCH, JEAN M	12/08/2014	43.40
0000002364	000002453	FLANNERY, PAULA	12/08/2014	208.82
0000002365	000004465	FLOWERS, JENNIFER L	12/08/2014	9.52
0000002366	000010056	FORTIN, CHRISTIAN J	12/08/2014	10.97
0000002367	000009590	FREDRICK, MICHELLE R	12/08/2014	405.49
0000002368	000007899	GATES, KATHLEEN A	12/08/2014	15.00
0000002369	000010091	GREEN, SUZY	12/08/2014	116.59
0000002370	000007361	GREEN, WENDY S	12/08/2014	2.08
0000002371	000002502	GRIEB, TERESA G	12/08/2014	110.00
0000002372	000007179	GUENGERICH, AMANDA J	12/08/2014	25.20
0000002373	000010152	HAMMERSCHMIDT, CRYSTAL J	12/08/2014	28.50
0000002374	000003585	HAMON, JENNIFER M	12/08/2014	21.34
0000002375	000009046	HARE, JENNIFER ANN	12/08/2014	59.11
0000002376	000001783	HARROD, VICTOR L	12/08/2014	190.40
0000002377	000004525	HAYDON, RACHEL	12/08/2014	89.71
0000002378	000009483	HEINRITZ, ANNA R	12/08/2014	815.76
0000002379	000006926	HIERSCHE, SUZANNE M	12/08/2014	11.76
0000002380	000009051	HUDSON, HOLLY C	12/08/2014	87.19

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000002381	000009123	JACKSON, ANNA SOFIAPALOS	12/08/2014	8.25
0000002382	000006336	JAIMEZ, LINDA J	12/08/2014	32.65
0000002383	V0011914	JERRY THE TECH GUY	12/08/2014	4,610.70
0000002384	000009921	JOHNSON, IRA F	12/08/2014	110.00
0000002385	000010054	JONES, LISA ANN	12/08/2014	27.77
0000002386	000009549	KEMBLE, JERRI J	12/08/2014	81.00
0000002387	000008464	KEPLER, JANNA N	12/08/2014	247.97
0000002388	000005590	LARSEN, JESSICA M	12/08/2014	110.00
0000002389	V0003969	LAWRENCE FREE STATE HIGH SCHOO	12/08/2014	75.00
0000002390	V0003968	LAWRENCE HIGH SCHOOL	12/08/2014	216.00
0000002391	000008492	LE, AMY R	12/08/2014	110.00
0000002392	000001895	LOCKWOOD, BEVERLY	12/08/2014	15.68
0000002393	000010206	LOWRY, KIMBERLY RAE	12/08/2014	5.32
0000002394	000004918	LUTZE, SUZANNE L	12/08/2014	9.19
0000002395	000009191	MAHAN, HOPE P	12/08/2014	93.68
0000002396	000008957	MAPES, JOY N	12/08/2014	17.19
0000002397	000004596	MAY, DANIEL S	12/08/2014	37.57
0000002398	000002686	MAYKULSKY, VICKI W	12/08/2014	52.53
0000002399	000009556	MCCOURT, KIMBERLY DAWN	12/08/2014	20.00
0000002400	000001932	MELTON, MYRON C	12/08/2014	110.00
0000002401	000001938	MEYERS, LINDA M	12/08/2014	11.76
0000002402	000002942	MEYERS, PAULA K	12/08/2014	110.00
0000002403	000002716	MILLER, CATHRYN A	12/08/2014	110.00
0000002404	V0011918	MORGAN HUNTER EDUCATION	12/08/2014	54,484.07
0000002405	000009352	NAUMANN, DEBORAH NICHOLE	12/08/2014	9.46
0000002406	000005290	NEWLIN, SAMANTHA K	12/08/2014	15.00
0000002407	000004608	NORRIS, MICHAEL W	12/08/2014	110.00
0000002408	000009636	NUESSEN, DARALD F	12/08/2014	74.14
0000002409	V0002817	OFFICE DEPOT INC	12/08/2014	865.55
0000002410	000003275	ORZULAK, PATRICIA M	12/08/2014	16.13
0000002411	V0005756	PACIFIC EDUCATIONAL GROUP INC	12/08/2014	10,800.00
0000002412	000001989	PAVLICEK, MICHELLE E	12/08/2014	10.14
0000002413	000005037	POWELL, LISA K	12/08/2014	110.00
0000002414	000004313	PRICE, NANCY	12/08/2014	59.64
0000002415	000009664	PRICE, RACHEL LINDSEY	12/08/2014	79.46
0000002416	V0002741	PUR-O-ZONE INC	12/08/2014	5,593.63
0000002417	000009850	RUBIN, REGINA K	12/08/2014	120.90
0000002418	000002048	SANDERS, REGINA W	12/08/2014	8.23
0000002419	000010077	SCHOEPF, TERESA INEZ	12/08/2014	15.85
0000002420	V0004378	SCHWEGLER	12/08/2014	350.19
0000002421	000007696	SHOWMAN, CARLY C	12/08/2014	15.00
0000002422	000002075	SIMMONS, SHERYL L	12/08/2014	33.62
0000002423	000004320	SLOAN, CHERYL L	12/08/2014	10.08

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000002424	000002114	STOLL, STEPHEN B	12/08/2014	197.85
0000002425	000007862	STUBBLEFIELD, ANNA R	12/08/2014	65.00
0000002426	000008764	TAYLOR, MARIE KATHRYN	12/08/2014	105.00
0000002427	000010099	THOMAS, JULIA MAE	12/08/2014	13.38
0000002428	000006754	VANTUYL, SHANNA D	12/08/2014	36.18
0000002429	000005684	WEST, LESA A	12/08/2014	107.63
0000002430	000009559	WESTFALL, JAMES M	12/08/2014	242.80
0000002431	000008683	WILSON, GREGORY KEITH	12/08/2014	447.40
0000002432	000009373	WOLFE, SHEELA	12/08/2014	116.93
0000002433	000003191	YOUNG, EILEEN M	12/08/2014	7.28
0000002434	V0009953	YOUNGERS, DEAN	12/08/2014	8,916.67
0000002435	000004356	ZYLSTRA, KATE	12/08/2014	26.66
0000004318	000009533	REILING, CHASE J	11/26/2014	390.51
0000004319	000008348	LEIKER, HILLARY A	11/26/2014	98.02
0000004320	000005171	FINKBINER, CHRISTOPHER A	11/26/2014	423.79
0000004321	000005888	GARRETT, JO A	11/26/2014	40.99
0000004322	V0004862	WORKERS COMP RESERVE FUND	11/25/2014	127.80
0000004323	V0007022	CHILD SUPPORT ENFORCEMENT DIVI	11/26/2014	210.92
0000004324	V0004716	ECMC	11/26/2014	80.37
0000004325	V0004278	GRIFFIN, WILLIAM H	11/26/2014	576.93
0000004326	V0004951	HEALTH CARE SERVICES/RESERVE F	11/26/2014	164,197.47
0000004327	V0011967	ILLINOIS STUDENT ASSISTANCE CO	11/26/2014	67.60
0000004328	V0006542	KANSAS PAYMENT CENTER	11/26/2014	527.14
0000004329	V0006467	PENDLETON AND SUTTON	11/26/2014	154.53
0000004330	V0004562	UNITED STATES TREASURY	11/26/2014	50.00
0000004331	V0004846	US DEPARTMENT OF EDUCATION	11/26/2014	263.10
0000004332	V0011834	USA FUNDS	11/26/2014	85.24
0000004333	V0004862	WORKERS COMP RESERVE FUND	11/26/2014	3,211.19
0000048993	V0010787	AMERICAN ASSOCIATION FOR EMPLO	11/26/2014	450.00
0000048994	V0005067	BLACK HILLS ENERGY	11/26/2014	1,880.51
0000048995	V0004556	CITY OF LAWRENCE KANSAS	11/26/2014	3,308.07
0000048996	V0004148	HOME DEPOT CREDIT SERVICES	11/26/2014	119.68
0000048997	V0004459	HY-VEE INC	11/26/2014	1,163.92
0000048998	V0005204	KANSAS DEPARTMENT OF SOCIAL RE	11/26/2014	230.00
0000048999	VOID.CONTINU	VOID - CONTINUED STUB	11/26/2014	-
0000049000	V0003585	RUESCHOFF CORPORATION	11/26/2014	3,492.30
0000049001	V0003585	RUESCHOFF CORPORATION	11/26/2014	21.00
0000049002	V0010351	WOW! INTERNET CABLE & PHONE	11/26/2014	915.80
0000049003	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049004	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049005	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049006	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049007	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000049008	V0004241	ALEXANDER OPEN SYSTEMS INC	12/08/2014	239,869.38
0000049009	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049010	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049011	V0003845	ALPHA-OMEGA GEOTECH INC	12/08/2014	12,332.50
0000049012	V0004254	AMERIPRISE FINANCIAL	12/08/2014	378.16
0000049013	V0012187	AYALA, ARNOLD OR MIKYONG	12/08/2014	30.00
0000049014	V0003758	B A GREEN CONSTRUCTION CO INC	12/08/2014	104,500.00
0000049015	V0002898	B E PUBLISHING	12/08/2014	41.95
0000049016	V0002943	B&H FOTO & ELECTRONICS CORP DB	12/08/2014	5,072.80
0000049017	V0012162	BENDER, SALLY	12/08/2014	52.50
0000049018	V0003813	BG CONSULTANTS INC	12/08/2014	3,635.50
0000049019	V0010642	BHAKTA, ROHINI OR SAM	12/08/2014	112.00
0000049020	V0008932	BIRD, JACKIE OR BARAK	12/08/2014	25.00
0000049021	V0005067	BLACK HILLS ENERGY	12/08/2014	4,657.98
0000049022	V0004430	BLICK ART MATERIALS	12/08/2014	61.20
0000049023	V0012189	BLOSSER, LISA OR JIM	12/08/2014	121.50
0000049024	V0003369	BOUND TO STAY BOUND BOOKS INC	12/08/2014	586.08
0000049025	V0011950	BOUSHEE, JUANITA	12/08/2014	71.68
0000049026	V0003090	BOYS AND GIRLS CLUB OF LAWRENC	12/08/2014	1,523.00
0000049027	V0003972	BRACKER'S GOOD EARTH CLAYS INC	12/08/2014	83.20
0000049028	V0012169	BRYNDS, ADRIANNE OR EARL	12/08/2014	121.50
0000049029	V0003608	BUDGET TRUCK RENTAL	12/08/2014	242.91
0000049030	V0009734	CANON SOLUTIONS AMERICA INC	12/08/2014	50.52
0000049031	V0005632	CAPSTONE	12/08/2014	796.48
0000049032	V0004491	CAROLINA BIOLOGICAL SUPPLY COM	12/08/2014	1,547.12
0000049033	V0002917	CARQUEST AUTO PARTS STORES	12/08/2014	393.85
0000049034	V0003157	CARROLL SEATING CO	12/08/2014	1,200.00
0000049035	V0004539	CHARLES D JONES & CO INC	12/08/2014	1,034.92
0000049036	V0003842	CHECKER'S	12/08/2014	257.52
0000049037	V0008039	CHILDRENS PLUS INC	12/08/2014	1,869.66
0000049038	V0002883	CINTAS CORPORATION	12/08/2014	537.55
0000049039	V0004556	CITY OF LAWRENCE KANSAS	12/08/2014	1,230.68
0000049040	V0004556	CITY OF LAWRENCE KANSAS	12/08/2014	10,493.64
0000049041	V0004556	CITY OF LAWRENCE KANSAS	12/08/2014	140.00
0000049042	V0009106	COCA-COLA REFRESHMENTS USA INC	12/08/2014	497.76
0000049043	V0010613	COMPUCLAIM INC	12/08/2014	750.00
0000049044	V0004639	CONSTELLATION NEWENERGY GAS DI	12/08/2014	3,807.51
0000049045	V0003812	D&D TIRE INC	12/08/2014	400.00
0000049046	V0007035	DABODA, KORIANNE	12/08/2014	76.00
0000049047	V0003607	DELL MARKETING LP	12/08/2014	289.84
0000049048	V0004107	DELTA EDUCATION LLC	12/08/2014	136.42
0000049049	V0003424	DEMCO INC	12/08/2014	189.95
0000049050	V0012173	DEROSA, SHARON OR ANDREW	12/08/2014	48.50

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000049051	V0003606	DILLONS CUSTOMER CHARGES	12/08/2014	198.34
0000049052	V0012185	EASUM, CHRISTIAN	12/08/2014	162.00
0000049053	V0003910	ECUMENICAL FELLOWSHIP INC	12/08/2014	1,500.00
0000049054	V0009521	EDMENTUM HOLDINGS INC	12/08/2014	5,691.15
0000049055	V0003851	ELECTROLIFE BATTERY INC DBA LA	12/08/2014	2,519.84
0000049056	V0004807	ELECTRONIC CONTRACTING COMPANY	12/08/2014	2,111.00
0000049057	V0003904	ESSDACK	12/08/2014	1,200.00
0000049058	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049059	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049060	V0009708	EXPRESS EMPLOYMENT PROFESSIONA	12/08/2014	26,932.11
0000049061	V0012192	FERGUSON, ANNE OR PATRICK	12/08/2014	18.00
0000049062	V0004818	FISHER, CONNIE	12/08/2014	49.99
0000049063	V0011387	FOLLETT SCHOOL SOLUTIONS INC	12/08/2014	1,490.26
0000049064	V0012196	FRANK, JASON OR LINDA	12/08/2014	112.00
0000049065	V0011403	FUELEDUCATION	12/08/2014	143,125.00
0000049066	V0002901	GAYLORD BROTHERS INC	12/08/2014	36.75
0000049067	V0002766	GENERAL FUND	12/08/2014	224.00
0000049068	V0012182	GILLILAND, AMY OR MASON	12/08/2014	162.00
0000049069	V0010022	GOMEL, JOHN	12/08/2014	40.00
0000049070	V0010550	GOWEN, HEIDI	12/08/2014	50.00
0000049071	V0004138	GRAYBAR	12/08/2014	1,436.00
0000049072	V0012197	GREEN, CHRISTOPHER OR TIAEISHA	12/08/2014	84.00
0000049073	V0010834	HASKELL PROPERTY LLC	12/08/2014	8,144.27
0000049074	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049075	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049076	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049077	V0011012	HILAND DAIRY FOODS COMPANY LLC	12/08/2014	16,442.60
0000049078	V0004421	HONEY CREEK DISPOSAL SERVICE I	12/08/2014	171.00
0000049079	V0004970	HOUGHTON MIFFLIN HARCOURT PUBL	12/08/2014	6,383.90
0000049080	V0012106	HYDEMAN COMPANY INC	12/08/2014	467.47
0000049081	V0003259	ICE COMMUNICATIONS INC	12/08/2014	1,250.80
0000049082	V0002865	JAYHAWK TROPHY COMPANY INC	12/08/2014	26.20
0000049083	V0012195	JESS, TRISH OR JIM	12/08/2014	54.00
0000049084	V0004163	JOCK'S NITCH	12/08/2014	649.98
0000049085	V0005326	JUNIOR ACHIEVEMENT OF LAWRENCE	12/08/2014	100.00
0000049086	V0003495	JW PEPPER & SON INC	12/08/2014	55.00
0000049087	V0005204	KANSAS DEPARTMENT OF SOCIAL RE	12/08/2014	130.00
0000049088	V0004126	KANSAS SCHOOL FOR THE DEAF	12/08/2014	6,653.44
0000049089	V0004882	KANSAS STATE DEPARTMENT OF EDU	12/08/2014	30.00
0000049090	V0007405	KC BIN & EQUIPMENT	12/08/2014	6,195.00
0000049091	V0002776	KC PRESORT	12/08/2014	1,511.20
0000049092	V0012172	KIRKPATRICK, YOLANDA OR WILLIA	12/08/2014	0.75
0000049093	V0002783	LAKESHORE LEARNING MATERIALS	12/08/2014	401.85



LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000049094	V0003649	LASER LOGIC	12/08/2014	622.32
0000049095	V0005952	LAWRENCE ARTS CENTER INC	12/08/2014	600.00
0000049096	V0004178	LAWRENCE JOURNAL WORLD	12/08/2014	424.00
0000049097	V0004670	LAWRENCE MEMORIAL HOSPITAL	12/08/2014	371.50
0000049098	V0004900	LAWRENCE SCHOOLS FOUNDATION	12/08/2014	1,820.94
0000049099	V0009318	LEARNED OR SHARON ZEHR, DAVID	12/08/2014	274.00
0000049100	V0007615	LEARNING ALLY	12/08/2014	1,095.00
0000049101	V0004879	LIED CENTER	12/08/2014	700.00
0000049102	V0007631	LIU, XIAOYAN	12/08/2014	15.00
0000049103	V0005613	MACLAREN, HEATHER	12/08/2014	80.00
0000049104	V0003238	MANPOWER	12/08/2014	492.40
0000049105	V0012177	MCCLARY, SEAN	12/08/2014	72.75
0000049106	V0010906	MCCOWNGORDON CONSTRUCTION LLC	12/08/2014	1,184,368.00
0000049107	V0012174	MCCOY, ANDREA OR SEAN	12/08/2014	48.50
0000049108	V0012180	MCDANELD, ALICIA	12/08/2014	112.00
0000049109	V0002864	MCELHANEY FENCE BUILDERS LLC	12/08/2014	26,535.00
0000049110	V0006323	MEDIA CONCEPTS GROUP INC DBA N	12/08/2014	19.95
0000049111	V0007451	MIDWEST BINDING SYSTEMS INC	12/08/2014	40.00
0000049112	V0012193	MILNER, DOUGLAS	12/08/2014	20.00
0000049113	V0004776	MOLLY HAWKINS HOUSE	12/08/2014	30.86
0000049114	V0012178	MONROE, KRISTI	12/08/2014	48.50
0000049115	V0012194	MOSHER, KIM OR TED	12/08/2014	5.00
0000049116	V0005302	MULKI, OSAMA	12/08/2014	848.00
0000049117	V0012170	MYERS, DONNA OR SCOTT	12/08/2014	175.00
0000049118	V0004495	NABHOLZ CONSTRUCTION CORPORATI	12/08/2014	703,350.45
0000049119	V0012190	NEELY, EDGAR	12/08/2014	164.00
0000049120	V0012165	NELSON, MARITA A	12/08/2014	45.00
0000049121	V0003192	PATCHEN ELECTRICAL & INDUSTRIA	12/08/2014	448.28
0000049122	V0009117	PENCIL WHOLESALE COMPANY	12/08/2014	511.20
0000049123	V0005290	PERIPOLE INC	12/08/2014	269.78
0000049124	V0002759	PERMA-BOUND BOOKS	12/08/2014	3,449.00
0000049125	V0010048	PRESLER, SUSAN K	12/08/2014	3,052.55
0000049126	V0012179	PRIDEMORE, LULA	12/08/2014	48.50
0000049127	V0003541	QUILL CORPORATION	12/08/2014	3,837.95
0000049128	V0002818	RADIOLOGIC PROFESSIONAL SERVIC	12/08/2014	64.00
0000049129	V0012183	RAMESH, SANTHI OR VAIDYANATHAN	12/08/2014	121.50
0000049130	V0003724	RANDALL ELECTRIC INC	12/08/2014	1,387.00
0000049131	V0008539	REDDING MSW, NOMI C	12/08/2014	90.00
0000049132	V0012188	REDLINGER, TINA	12/08/2014	162.00
0000049133	V0012168	RETHMAN, DENNIS OR MONICA	12/08/2014	151.50
0000049134	V0010825	RICOH USA INC	12/08/2014	31,695.77
0000049135	V0004226	RIO GRANDE	12/08/2014	4,003.34
0000049136	V0012175	ROSENQUIST, MANDI	12/08/2014	48.50

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000049137	V0003585	RUESCHOFF CORPORATION	12/08/2014	12.00
0000049138	V0003585	RUESCHOFF CORPORATION	12/08/2014	221.50
0000049139	V0003586	RURAL WATER DIST NO5 DOUGLAS C	12/08/2014	29.00
0000049140	V0005562	SABATINI ARCHITECTS INC	12/08/2014	40,938.38
0000049141	V0011667	SALINA PUBLIC LIBRARY	12/08/2014	100.00
0000049142	V0010764	SALMERON-DIAZ, YAMIL	12/08/2014	169.50
0000049143	V0007978	SANTA FE SERVICE & SALES CO IN	12/08/2014	32.00
0000049144	V0003135	SATELLITE SHELTERS	12/08/2014	4,330.00
0000049145	V0012140	SAUNDERS, MICHELLE	12/08/2014	16.00
0000049146	V0009664	SCHENDEL PEST SERVICES	12/08/2014	1,590.00
0000049147	V0012191	SCHERL, DALE OR RUTHANN REIGLE	12/08/2014	50.00
0000049148	V0003958	SCHOLASTIC INC	12/08/2014	972.45
0000049149	V0012184	SCHOLZ, PETER OR DAGMAR	12/08/2014	81.00
0000049150	V0003673	SCHOOL SOLUTIONS INC	12/08/2014	23,478.60
0000049151	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049152	V0003962	SCHOOL SPECIALTY INC	12/08/2014	25,754.42
0000049153	V0007466	SCOTCH INDUSTRIES INC DBA SCOT	12/08/2014	558.00
0000049154	V0010182	SCOTT RICE OFFICE WORKS	12/08/2014	50,013.00
0000049155	V0002718	SENSENEY MUSIC INC	12/08/2014	48.00
0000049156	V0009426	SHAUGHNESSY KNIPE HAWK PAPER C	12/08/2014	2,310.57
0000049157	V0012176	SHEPHERD, CANDICE OR SHANE	12/08/2014	97.00
0000049158	V0003058	SHERWIN WILLIAMS	12/08/2014	86.66
0000049159	V0003059	SHIFFLER EQUIPMENT SALES	12/08/2014	1,307.78
0000049160	V0012171	SHOCKEY, FRED OR FELICIA	12/08/2014	5.00
0000049161	V0008687	SIMPLEXGRINNELL LP	12/08/2014	935.00
0000049162	V0012186	SMITH, JESSE OR ANTHONY GABRIE	12/08/2014	112.00
0000049163	V0010486	SOD SHOP INC	12/08/2014	4,185.50
0000049164	V0002726	STANION WHOLESALE ELECTRIC COM	12/08/2014	1,594.61
0000049165	V0011984	STATE SERVICES FOR THE BLIND	12/08/2014	3,212.90
0000049166	V0005210	STERICYCLE INC	12/08/2014	301.02
0000049167	V0003387	SUNFLOWER RENTS INC DBA SUNFLO	12/08/2014	930.73
0000049168	V0003385	SUNFLOWER RESTAURANT SUPPLY IN	12/08/2014	233,761.50
0000049169	V0004944	SUNGARD PUBLIC SECTOR INC	12/08/2014	427.20
0000049170	V0011123	SUPPLEMENTAL HEALTH CARE	12/08/2014	1,725.00
0000049171	V0011123	SUPPLEMENTAL HEALTH CARE	12/08/2014	1,725.00
0000049172	V0004047	TARGET STORES	12/08/2014	15.97
0000049173	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049174	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049175	V0006753	TERRACON CONSULTANTS INC	12/08/2014	8,348.75
0000049176	V0006666	THE COUNCIL FOR EXCEPTIONAL CH	12/08/2014	115.00
0000049177	V0003209	THE LIBRARY STORE INC	12/08/2014	40.57
0000049178	V0007277	THE UPS STORE 5941	12/08/2014	20.97
0000049179	V0002729	TIME CUSTOMER SERVICE INC	12/08/2014	920.08

LAWRENCE PUBLIC SCHOOLS  
FUND ID SUMMARY AND CHECK REGISTER  
Checks Dated: 11/25/2014 - 12/08/2014

Check #	Vendor #	Vendor Name	Check Date	Amount
0000049180	V0007676	TOWEY, ELYSE	12/08/2014	49.99
0000049181	V0004537	TRANE COMPANY	12/08/2014	909.24
0000049182	V0005611	ULINE INC	12/08/2014	1,489.13
0000049183	V0004555	UNISOURCE INC	12/08/2014	750.00
0000049184	V0011492	UNIVERSITY OF SAINT MARY	12/08/2014	100.00
0000049185	VOID.CONTINU	VOID - CONTINUED STUB	12/08/2014	-
0000049186	V0003256	US FOODSERVICE-TOPEKA DIVISION	12/08/2014	71,255.15
0000049187	V0011813	USD 202 TURNER	12/08/2014	125.00
0000049188	V0007153	USD 409 ATCHISON PUBLIC SCHOOL	12/08/2014	75.00
0000049189	V0004325	USD 497 LAWRENCE PUBLIC SCHOOL	12/08/2014	7,824.92
0000049190	V0011752	VIRCO INC	12/08/2014	4,788.00
0000049191	V0004338	WAGNON, COLENE	12/08/2014	61.00
0000049192	V0004166	WALMART	12/08/2014	1,055.18
0000049193	V0002722	WEST MUSIC COMPANY INC	12/08/2014	301.32
0000049194	V0002719	WESTERN EXTRALITE COMPANY	12/08/2014	451.93
0000049195	V0002723	WESTLAKE ACE HARDWARE	12/08/2014	469.62
0000049196	V0008821	WICHITA PUBLIC LIBRARY	12/08/2014	25.00
0000049197	V0011312	WILDE, ANA MARIA	12/08/2014	22.67
0000049198	V0006658	WILLIE DBA BAND-AIDE INSTRUMEN	12/08/2014	16.25
0000049199	V0010351	WOW! INTERNET CABLE & PHONE	12/08/2014	275.48
0000049200	V0012181	ZHANG, YINGJIE OR SHAOFENG DUA	12/08/2014	162.00
0099001997	V0004250	AMERICAN FIDELITY ASSURANCE CO	11/26/2014	2,295.67
0099001998	V0004832	FIDELITY INVESTMENT	11/26/2014	51.71
0099001999	V0005992	KANSAS DEPARTMENT OF REVENUE	11/26/2014	14,105.20
0099002000	V0007426	KANSAS PUBLIC EMPLOYEES RETIRE	11/26/2014	35,538.96
0099002001	V0011576	THE OMNI GROUP	11/26/2014	1,682.00
0099002002	V0004562	UNITED STATES TREASURY	11/26/2014	133,604.18
0099002003	V0004546	US BANK	11/26/2014	1,106.61
0099002005	V0007426	KANSAS PUBLIC EMPLOYEES RETIRE	12/01/2014	1,456.65
<b>GRAND TOTAL</b>				<b>4,151,253.67</b>

To: Board of Education

From: David Cunningham, director, human resources & legal services, ext. 4937

Re: Board Policy Committee Recommendations – Final Action

Date: December 4, 2014

Background:

The board's policy committee recommended two policies to the board as part of the November 24, 2014 consent agenda. The committee has not received suggested modifications and thus the following policies are submitted for the board's adoption:

Policies Recommended for Amendment:

**JRB Release of Student Records (see ECA)**

JRB addresses the release of student records implementing the requirements of the Family Education Rights and Privacy Act. The committee recommends these technical revisions to ensure JRB conforms to Board Policy IDEA, which is being recommended for revision to comply with the Student Data Privacy Act.

**IDEA Student Privacy Policy (See BCBK, BE, CN, can, ECA, ICA, II, JGGA, JR et seq. and KBA)**

IDEA is recommended for revision to meet the requirements of the Student Data Privacy Act. This new law places additional restrictions on when and how certain student data may be collected and disseminated. The board's existing version of IDEA made general references to complying with the Protection of Pupil Rights Amendment and the Family Educational Rights and Privacy Act; however, Kansas law now requires a more specific policy to address student privacy issues by providing additional notices. The required notices will be included in enrollment packets and placed on the district's website.

Recommendation:

The Board Policy Committee recommends the adoption of the referenced policies.

Motion:

"I move the Board of Education adopt the referenced policies as amended effective as of December 8, 2014."

1            The general public shall not be allowed to inspect a student's personal  
2 record files. The custodian of student records shall disclose the student's ed-  
3 ucational records only as provided for in policy.

4            Directory Information

5            Annual notice shall be given to parents and eligible students concern-  
6 ing student records. In addition, the custodian of the educational records  
7 shall give annual public notice of the class of records the district has desig-  
8 nated as directory information. The appropriate forms for these notices shall  
9 be on file in the office of the custodian of the educational records.

10           The custodian of records may make directory information available  
11 without parental or eligible student's consent if public notice of the categories  
12 of information designated as directory information has been given and the par-  
13 ents or eligible students have had the right to object to the release of the in-  
14 formation without their consent. The custodian of records shall make student  
15 recruiting information (name, address, and telephone listing) available to mili-  
16 tary recruiters and postsecondary institutions unless parents or eligible stu-  
17 dents request the information not be released without written consent.

18           The custodian may disclose students' education records to the follow-  
19 ing persons without the prior consent of the parents or the student if age 18 or  
20 older:

- 21        • School officials within the district who have legitimate educational inter-  
22        ests;
- 23        • Officials of other schools or school systems in which the student intends to  
24        enroll. The school district shall forward student records to such institu-  
25        tions without further notice to the parents or eligible student;

- 1 • Authorized persons to whom a student has applied for or from whom a stu-  
2 dent has received financial aid;
- 3 • State and local officials or authorities to whom such information is specifi-  
4 cally required to be reported or disclosed pursuant to state statutes in con-  
5 formity with IDAE;
- 6 • Organizations conducting studies for educational agencies for the purpose  
7 of developing, validating or administering student tests or programs in con-  
8 formity with IDAE;
- 9 • Accrediting organizations;
- 10 • Parents of a student age 18 or older if parents claim the student as a de-  
11 pendent for income tax purposes;
- 12 • Appropriate persons if knowledge of any information is necessary to pro-  
13 tect the health or safety of the student or other persons in an emergency;
- 14 • An agency caseworker or representative of a state or local child welfare  
15 agency or tribal organization who has the right to access a student's case  
16 plan when such agency or organization is legally responsible for the care  
17 and protection of the student and when any further disclosure of such in-  
18 formation thereby will be limited in accordance with law; or
- 19 • In compliance with a lawfully issued subpoena or judicial order.

20 For the purposes of this policy, school official means teacher, adminis-  
21 trator, other certified employee or board of education. Legitimate educational  
22 interest means the school official must participate in discussions involving an  
23 identifiable student leading to educational intervention, disciplinary action,  
24 discussions of eligibility for athletics or other activities, or honors or awards  
25 involving a student.

1 Medical records from a third party may not be released with the excep-  
2 tion of immunization records.

3 Personally identifiable information contained in personal school rec-  
4 ords shall not be furnished to any person other than those listed herein except  
5 under the following conditions: when there is written instruction from the  
6 student's parents, or the eligible student specifying the records, the reasons  
7 and the person(s) to whom the release is to be made, with a copy of the rec-  
8 ords to be released made available to the student, parents when requested; or  
9 when information is requested in compliance with a judicial order, or pursuant  
10 to any lawfully issued subpoena.

11 Nothing contained in this policy shall preclude authorized representa-  
12 tives of the Comptroller General of the United States, an educational agency  
13 or state authorities from having access to student or other records which may  
14 be necessary in connection with the audit and evaluation of federally support-  
15 ed education programs or the enforcement of the federal legal requirements  
16 which relate to these programs, provided that, except as the collection of per-  
17 sonally identifiable data is specifically authorized by federal law, the data  
18 collection by such officials with respect to individual students shall not in-  
19 clude information (including social security numbers) which would permit the  
20 personal identification of students or their parents on the data collected and  
21 provided in conformity with IDAE.

22 All persons, agencies or organizations desiring access to the records of  
23 a student shall be required to sign a form indicating specifically the legitimate  
24 educational or other interest of each person, agency or organization has in  
25 seeking this information. This form shall be kept permanently with the stu-

1 dent's file, but only for inspection by the parents, the student or a school offi-  
2 cial responsible for record maintenance. Such forms shall be available to par-  
3 ents and to the school official responsible for record maintenance as a means  
4 of auditing the system's operation.

5       Personal information shall be transferred to a third party only on the  
6 condition that such party shall not permit any other party to have access to  
7 such information without the written consent on the student's parents or the  
8 student if age 18 or older. The board and staff shall protect the rights of pri-  
9 vacy of students and their families in connection with any surveys or data-  
10 gathering activities conducted, assisted or authorized by the board or admin-  
11 istration in conformity with IDAE. Rules established under this policy shall  
12 include provisions controlling the use, dissemination and protection of such  
13 data.

14       Forwarding Student Records

15       Administrators shall forward student's school records according to pro-  
16 visions in this policy and may not withhold them from authorized parties for  
17 any reason.

Approved: July 1, 2001

Amended: December 8, 2003

Reviewed by Board Policy Committee: February 7, 2005

Reviewed by Board Policy Committee: March 26, 2008

Amended: May 12, 2008

Amended October 28, 2013

Amended December 8, 2014



**IDAE    Student Privacy Policy**

**IDAE**

(See BCBK, BE, CN, CNA, ECA, ICA, II, JGGA, JR et seq. and KBA)

1            The superintendent, the board and staff shall protect the right of  
2    privacy of students and their families in connection with any surveys or physical  
3    examinations conducted, assisted, or authorized by the board or administration.  
4    The district shall annually provide parents notice of their rights under the  
5    Family Education Rights and Privacy Act, Protection of Pupil Rights  
6    Amendment and the Student Data Privacy Act, at the beginning of each school  
7    year, and at any other time the school district policies in the area are  
8    substantially changed.

9            Student Data Restrictions

10          Any student data submitted to or maintained in a statewide longitudinal  
11    student data system shall only be disclosed in accordance with the Student Data  
12    Privacy Act. Disclosure of all other student data or student record information  
13    maintained is governed by the Family Educational Rights and Privacy Act  
14    (“FERPA”).

15          Annual written notice presented to parents and legal guardians of  
16    district students shall: 1) be included in the district’s enrollment information;  
17    and 2) shall state student data submitted to or maintained in a statewide  
18    longitudinal data system only be disclosed as follows.

19          Student data may be disclosed to:

- 20            • The authorized personnel of an educational agency or the state  
21            board of regents who require disclosures to perform assigned  
22            duties; and
- 23            • The student and the parent or legal guardian of the student,  
24            provided the data pertains solely to the student.

- Student data may be disclosed to authorized personnel of any state agency, or to a service provider of a state agency, educational agency or school performing instruction, assessment, or longitudinal reporting, provided a data-sharing agreement between the educational agency and other state agency or service provider provides the following:
    - purpose, scope, and duration of the data-sharing agreement;
    - recipient of student data use such information solely for the purposes specified in agreement;
    - recipient shall comply with data access, use, and security restrictions specifically described in agreement; and
    - student data shall be destroyed when no longer necessary for purposes of the data-sharing agreement or upon expiration of the agreement, whichever occurs first.
- \*A service provider engaged to perform a function of instruction may be allowed to retain student transcripts as required by applicable laws and rules and regulations. Destruction shall comply with the NISTSP800-88 standards of data destruction.

Unless an adult student or parent or guardian of a minor student provides written consent to disclose personally identifiable student data, student data may only be disclosed to a governmental entity not specified above or any public or private audit and evaluation or research organization if the data is aggregate data. "Aggregate data" means data collected or reported at the group, cohort, or institutional level and which contains no personally identifiable student data.

The district may disclose:

- Student directory information when necessary and the student's parent or legal guardian has not opted out of the release of such information in writing;
- directory information to an enhancement vendor providing photography services, class ring services, yearbook publishing services, memorabilia services, or similar services;
- any information requiring disclosure pursuant to state statutes;
- student data pursuant to any lawful subpoena or court order directing such disclosure; and
- student data to a public or private postsecondary educational institution for purposes of application or admission of a student to such postsecondary educational institution as provided on the annual enrollment forms.

#### Student Data Security Breach

If there is a security breach or unauthorized disclosure of student data or personally identifiable information of any student submitted to or maintained on a statewide student longitudinal data system, each affected student or the parent or legal guardian of the student, if a minor, shall be immediately notified, and an investigation into the causes and consequences of the breach or unauthorized disclosure will be conducted.

#### Biometric Data

The district shall not collect biometric data from a student or use any device or mechanism to assess a student's physiological or emotional state, unless the adult student or the parent or legal guardian of the minor student

consents in writing. “Biometric data” includes measurable biological or behavioral characteristics that can be used for automated recognition of an individual, such as fingerprints, retina and iris patterns, voiceprints, DNA sequence, facial characteristics, and handwriting.

Nothing in this policy shall prohibit the collection of audio voice recordings, facial expression information, and student handwriting for:

- provision of counseling or psychological services,
- conducting student threat assessments,
- completing student disciplinary investigations or hearings, or
- conducting child abuse investigations.

#### Select Student Surveys

No test, questionnaire, survey, or examination containing any questions about a student’s or the student’s parents’ or guardians’ personal beliefs or practices on issues such as sex, family life, morality, or religion shall be administered to any student unless:

- A. the parent or guardian is notified in writing; and
- A. the parent or guardian has not opted out as provided for in the Privacy of Pupil Rights Amendment.

Nothing shall prohibit school counselors from providing counseling services, including the administration of tests and forms as part of student counseling services. Any information obtained through such tests or counseling services shall not be stored on any personal mobile electronic device which is not owned by the school district. Storage of such information on personal laptops, tablets, phones, flash drives, external hard drives, or virtual servers not owned by the district is prohibited.

Students may be questioned:

- in the provision of psychological services,
- conducting of student threat assessments,
- completing student disciplinary investigations or hearings, or
- conducting child abuse investigations.

Collection of such information in these limited circumstances is permitted without prior written consent of the parent, guardian, or adult student.

Approved: December 8, 2003

Reviewed by Board Policy Committee: December 4, 2006

Amended: February 12, 2007

Reviewed by Board Policy Committee: March 11, 2010

Amended: December 8, 2014

To: Board of Education

From: Kathy Johnson, director, finance, ext. 2376

Re: Authorization to Issue Vendor Checks

Date: December 4, 2014

Background:

Payments to vendors are approved at each board meeting as a part of the Consent Agenda.

Rationale:

With only one board meeting in December, there will be a four to five week span between meetings. Administration is requesting that the Board of Education authorize the Finance Office to issue any necessary checks between December 8, 2014 and the January 12, 2015 board meeting in order to avoid late fees and delinquent notices.

All expenditures will be paid in compliance with Kansas Statutes, Board Policy and Procedures. The Board of Education will receive the list of bills paid between board meetings at its January 12, 2015 meeting.

Motion:

"I move the Board of Education authorize the Finance Office to issue any necessary checks to vendors between the December 8, 2014 and January 12, 2015 board meetings."

To: Board of Education

From: Kathy Johnson, director, finance, ext. 2376

Re: Acceptance of Audit for FY June 30, 2014

Date: December 4, 2014

Background:

The audit for the fiscal year ending June 30, 2014 has been completed. An electronic copy of the District audit is included. In addition activity fund audits were done on the two high schools (Lawrence High School and Lawrence Free State High School), one junior high (Liberty Memorial Central Middle School) and one elementary (Schwegler). They are also included.

As the management letters state, the audit was performed in accordance with the generally accepted auditing standards and the standards applicable to financial audits contained in "Government Audit Standards", issued by the Comptroller General of the United States and the Kansas Municipal Audit Guide. Those standards require the audit is planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement. The results of the audit assure that this is the case for Lawrence Public Schools.

The management letter also indicates that district management is responsible for establishing internal controls and that during the course of the audit no material weakness involving internal controls was noted. The audit does not express an opinion on internal controls.

The audit is favorable with no significant weaknesses or findings.

The following are internal control suggestions and comments the auditor did make to management.

- Recommend reviewing outstanding checks and determine any that may not likely be cashed
- Recommend periodically reconciling a la carte payments received by food service point of sale systems to the a la carte revenues posted to the District general ledger
- Recommend reviewing signature cards on a periodic basis and as staff change to ensure they are current.
- Recommend using the gate receipt reconciliation forms used with athletic events to be expanded to Showtime and Encore events and that all the reconciliation forms be signed as required under existing district policy.
- During our review of the tickets provided to Hy-Vee to sell for Free State High School's Encore performance, we noted that a reconciliation of returned tickets was not prepared. We recommend that the documentation of ticket numbers provided to the vendor be signed upon return with the number of unsold tickets recorded. We recommend the school then create a reconciliation of receipts collected based on the number of tickets sold and unsold.

**UNIFIED SCHOOL DISTRICT NO. 497**

**Lawrence, Kansas**

**Financial Statements**

**For the Year Ended June 30, 2014**



This page intentionally left blank.

UNIFIED SCHOOL DISTRICT NO. 497  
Lawrence, Kansas  
Financial Statements  
For the Year Ended June 30, 2014

Table of Contents

	<u>Page Number</u>
INTRODUCTORY SECTION	
Table of Contents	i - ii
FINANCIAL STATEMENTS SECTION	
Independent Auditor's Report	1 - 3
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4 - 5
Notes to the Financial Statements	6 - 15
REGULATORY REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	16
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget or Actual Only	
General Fund	17
Supplemental General Fund	18
Adult Basic Education Fund	19
At Risk (4 Year Old) Fund	20
Adult Supplemental Education Fund	21
At Risk (K-12) Fund	22
Bilingual Education Fund	23
Virtual Education Fund	24
Capital Outlay Fund	25
Driver Training Fund	26
Food Service Fund	27
Professional Development Fund	28
Parent Education Program Fund	29
Summer School Fund	30
Special Education Fund	31
Cost of Living Fund	32
Vocational Education Fund	33
KPERS Special Retirement Contribution Fund	34
Contingency Reserve Fund	35
Textbook Rental Fund	36
Student Material Revolving Fund	37
Grants Fund	38
Bond and Interest Fund	39
Special Assessment Fund	40
Capital Project Funds	41
School Workers' Compensation Reserve Fund	42
Health Care Services Reserve Fund	43

UNIFIED SCHOOL DISTRICT NO. 497  
Lawrence, Kansas  
Financial Statements  
For the Year Ended June 30, 2014

Table of Contents - Continued

	<u>Page Number</u>
SCHEDULE 3 Schedule of Receipts, Expenditures and Unencumbered Cash Trust Funds	44
SCHEDULE 4 Summary of Receipts and Disbursements Agency Funds	45 - 49
SCHEDULE 5 Schedule of Receipts, Expenditures and Unencumbered Cash District Activity Funds	50
GOVERNMENTAL AUDIT SECTION	
Schedule of Expenditures of Federal Awards	51
Notes to the Schedule of Expenditures of Federal Awards	52
Schedule of Findings and Questioned Costs	53 - 54
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"	55 - 56
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133	57 - 58



## **INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 497, Lawrence, Kansas, (the District), as of and for the year ended June 30, 2014 and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statements*

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; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. 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, 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*. 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 the District 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 the District as of June 30, 2014, 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 the District as of June 30, 2014, 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.

#### *Prior-Year Comparative Information*

The financial statements include partial prior-year comparative information. Such information does not include all of the information required for a presentation in conformity with the Kansas regulatory basis of accounting. Accordingly, such information should be read in conjunction with the District’s financial statement for the year ended June 30, 2013, from which such partial information was derived.

The prior year partial comparative information has been derived from the District’s financial statements for the year ended June 30, 2013. In our report dated November 14, 2013, on these financial statements, we expressed an adverse opinion as to presentation on the basis of generally accepted accounting principles and an unqualified opinion as to presentation on the Kansas prescribed basis of accounting.

#### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 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, summary of regulatory basis receipts and disbursements-agency funds, the schedule of regulatory basis receipts, expenditures and unencumbered cash-trust funds, and the schedule of regulatory basis receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. 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 basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the 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 basic financial statement or to the 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 basic financial statement as a whole, on the basis of accounting described in Note 1.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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.

*Mike Houser: Company PA*

Certified Public Accountants

Lawrence, Kansas

November 13, 2014

UNIFIED SCHOOL DISTRICT NO. 497  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2014

<u>Funds</u>	Beginning Unencumbered Cash <u>Balance</u>	Prior Year Cancelled Encumbrances	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered Cash <u>Balance</u>	Outstanding Encumbrances and Accounts Payable	Ending Cash <u>Balance</u>
Governmental Fund Types:							
General Funds:							
General Fund	\$ 31,906	\$ -	\$ 68,548,516	\$ 68,580,422	\$ -	\$ 5,550,915	\$ 5,550,915
Supplemental General	2,299,538	-	23,024,096	23,532,246	1,791,388	1,471,520	3,262,908
Special Purpose Funds:							
Adult Basic Education	549,497	-	440,008	369,777	619,728	17,969	637,697
At Risk (4 Year Old)	507,651	-	582,096	511,161	578,586	56,690	635,276
Adult Supplemental Education	25,982	-	-	-	25,982	-	25,982
At Risk (K-12)	3,704,095	-	5,026,093	5,745,637	2,984,551	573,461	3,558,012
Bilingual Education	98,015	-	633,552	670,813	60,754	56,948	117,702
Virtual Education	1,046,826	-	5,582,580	5,626,693	1,002,713	263,542	1,266,255
Capital Outlay	9,178,928	-	12,798,489	14,809,352	7,168,065	6,854,436	14,022,501
Driver Training	71,142	-	24,700	37,453	58,389	13,492	71,881
Food Service	1,150,012	-	4,588,694	4,643,818	1,094,888	194,366	1,289,254
Professional Development	364,232	-	466,667	580,848	250,051	90,226	340,277
Parent Education Program	86,895	-	160,667	166,084	81,478	1,802	83,280
Summer School	168,326	-	26,845	16,844	178,327	3,396	181,723
Special Education	9,687,795	-	21,184,936	21,968,605	8,904,126	1,774,219	10,678,345
Cost of Living	25,833	-	1,273,361	1,290,500	8,694	-	8,694
Vocational Education	627,333	-	1,534,502	1,759,733	402,102	191,398	593,500
KPERs Special Retirement Contribution	-	-	7,024,817	7,024,817	-	-	-
Contingency Reserve	6,549,960	-	1,425	405,303	6,146,082	334,132	6,480,214
Textbook Rental	278,251	-	20,857	299,108	-	107,471	107,471
Student Material Revolving	1,244,154	-	831,359	645,308	1,430,205	302,298	1,732,503
Grants	9,316	-	2,380,528	2,163,756	226,088	286,757	512,845
District Activity	-	-	697,424	694,395	3,029	-	3,029
Bond and Interest Funds:							
Bond and Interest	11,248,813	-	11,669,671	10,399,290	12,519,194	-	12,519,194
Special Assessment	476,218	-	27,011	74,710	428,519	-	428,519
Capital Projects Fund:							
Construction	234,956	-	36,608,180	51,802,557	[14,959,421]	46,144,568	31,185,147
Business Funds:							
School Workers' Compensation Reserve	2,178,706	-	450,684	400,035	2,229,355	-	2,229,355
Health Care Services Reserve	7,356,254	-	9,134,031	9,744,900	6,745,385	-	6,745,385
Trust Fund:							
Trusts - Private Purpose	703,966	-	417,055	315,852	805,169	20,155	825,324
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 59,904,600</u>	<u>\$ -</u>	<u>\$ 215,158,844</u>	<u>\$ 234,280,017</u>	<u>\$ 40,783,427</u>	<u>\$ 64,309,761</u>	<u>\$ 105,093,188</u>

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

UNIFIED SCHOOL DISTRICT NO. 497  
Summary Statement of Receipts, Expenditures and Unencumbered Cash (Continued)  
Regulatory Basis  
For the Year Ended June 30, 2014

Composition of Cash:		
U.S. Bank		
Checking Accounts	\$ 57,297,839	
Savings Accounts	<u>7,779</u>	
Total U.S. Bank		\$ 57,305,618
Douglas County Bank		
Certificates of Deposit	3,200	
Checking Accounts	<u>113,929</u>	
Total Douglas County Bank		117,129
Commerce Bank		
Certificates of Deposit	3,921	
Checking Accounts	<u>370</u>	
Total Commerce Bank		4,291
United Missouri Bank		
Checking Accounts	1,763,962	
Escrow Account	<u>2,132,352</u>	
		3,896,314
University National Bank - Checking		143
Kansas Municipal Investment Pool		41,759,424
Peoples Bank - Checking		1,288
Cash on Hand		<u>1,644</u>
Total Cash		103,085,851
Less Agency Funds per Schedule 4		<u>2,007,337</u>
Total Reporting Entity (Excluding Agency Funds)		<u>\$ 105,093,188</u>

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



UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 497 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements include all the accounts for which the District is considered to be financially accountable. The District had no related municipal entities.

Reimbursed Expenses

Expenditures in the amount of \$1,024,709 and \$14,862 are classified as reimbursed expenses in the General Fund and Supplemental General Fund, respectively. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Basis of Accounting

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

Regulatory Basis Fund Types

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

The following types of funds comprise the financial activities of the District for the year ended June 30, 2014:

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

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific receipts 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.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.)

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 - used to report assets held by a municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, student organization fund, etc.).

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 provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 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. The budget for the year ended June 30, 2014 was not amended.

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, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, business funds, fiduciary funds, agency funds and the following special purpose funds: Contingency Reserve, Textbook Rental, Student Material Revolving, and District Activity.

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

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 2 - Deposits and Investments

*Deposits.* 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.

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

Some of the District's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

As of June 30, 2014, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturity</u>	<u>Rating</u>
		<u>Less than 1 year</u>	
Certificate of Deposit	\$ 7,121	\$ 7,121	NA
Mutual Fund Money Market Escrow	2,132,352	2,132,352	NA
Kansas Municipal Investment Pool	41,759,424	41,759,424	S&P AA+/S1+
Total fair value	<u>\$ 43,898,897</u>	<u>\$ 43,898,897</u>	

*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. The District's allocation of investments as of June 30, 2014, is as follows:

<u>Investment</u>	<u>Percentage of Investments</u>
Certificate of Deposit	0.02%
Mutual Fund Money Market Escrow	4.86%
Kansas Municipal Investment Pool	95.12%
	<u>100.00%</u>

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has no designated "peak periods". All deposits were legally secured at June 30, 2014.

At June 30, 2014, the District's carrying amount of deposits was \$59,186,954 and the bank balance was \$60,270,308. The bank balance was held by six banks resulting in a concentration of credit risk. Of the bank balance, \$765,045 was covered by federal depository insurance and the balance of \$59,505,263 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 2 - Deposits and Investments (Continued)

*Custodial credit risk – investments (continued).* At June 30, 2014, the District had invested \$41,759,424 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

*Substance receipt in transit.* The District received \$2,500,053 subsequent to June 30, 2014 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, 2014.

NOTE 3 - Long-Term Debt

Following is a detailed listing of the District long-term liabilities, including capital leases, at June 30, 2014:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Original Amount</u>	<u>Balance June 30, 2014</u>
Paid for by revenues					
General Obligation Bonds					
2004A Refunding	11/15/2004	9/1/2014	3.00 - 3.75%	\$ 9,810,000	\$ 1,550,000
2006A Refunding & Improvement	6/15/2006	9/1/2025	4.00 - 5.00%	84,630,000	38,610,000
2012A Refunding	12/15/2012	9/1/2025	2.00%	9,890,000	9,615,000
2013A Improvement	8/1/2013	9/1/2033	2.00 - 5.00%	36,000,000	36,000,000
Capital Leases					
Energy Savings Equipment	7/12/2006	10/12/2025	4.90%	1,683,575	1,257,035
Athletics Fields/Equipment - Phase I	1/15/2009	1/15/2019	4.98%	4,800,000	2,687,952
Athletics Fields/Equipment - Phase II	4/1/2009	1/15/2019	5.10%	4,250,000	2,340,000
Technology Equipment	6/24/2014	6/24/2017	0.99%	2,161,949	1,613,449
Total					<u>\$ 93,673,436</u>

Following is a summary of changes in long-term liabilities for the year ended June 30, 2014:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Balance</u>	<u>Interest Paid</u>
Paid for by revenues					
General Obligation Bonds					
2004A Refunding	\$ 3,040,000	\$ -	\$ 1,490,000	\$ 1,550,000	\$ 83,210
2006A Refunding & Improvement	44,185,000	-	5,575,000	38,610,000	1,993,975
2012A Refunding	9,890,000	-	275,000	9,615,000	195,050
2013A Improvement	-	36,000,000	-	36,000,000	787,055
Capital Leases					
Energy Savings Equipment	1,324,152	-	67,117	1,257,035	64,883
Athletics Fields/Equipment - Phase I	3,150,614	-	462,662	2,687,952	151,323
Athletics Fields/Equipment - Phase II	2,745,000	-	405,000	2,340,000	137,813
Technology Equipment	-	2,161,949	548,500	1,613,449	-
Total	<u>\$ 64,334,766</u>	<u>\$ 38,161,949</u>	<u>\$ 8,823,279</u>	<u>\$ 93,673,436</u>	<u>\$ 3,413,309</u>

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 3 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

<u>Year ended June 30,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2015	\$ 7,500,000	\$ 3,297,475	\$ 10,797,475
2016	5,825,000	3,016,137	8,841,137
2017	4,015,000	2,830,837	6,845,837
2018	4,160,000	2,671,462	6,831,462
2019	4,350,000	2,492,388	6,842,388
2020-2024	25,095,000	9,311,064	34,406,064
2025-2029	19,455,000	4,575,519	
2030-2034	<u>15,375,000</u>	<u>1,639,900</u>	<u>17,014,900</u>
Total	<u>\$ 85,775,000</u>	<u>\$ 29,834,782</u>	<u>\$ 91,579,263</u>

Annual debt service requirements to maturity for the capital leases are as follows:

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2015	\$ 1,512,939	\$ 325,073	\$ 1,838,012
2016	1,575,380	268,796	1,844,176
2017	1,634,485	209,652	1,844,137
2018	1,157,835	147,560	1,305,395
2019	1,215,135	87,550	1,302,685
2020-2024	545,302	145,768	691,070
2025-2026	<u>257,360</u>	<u>19,067</u>	<u>276,427</u>
Total	<u>\$ 7,898,436</u>	<u>\$ 1,203,466</u>	<u>\$ 9,101,902</u>

In prior years, the District has defeased certain other outstanding debt obligations by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the District's financial statements. At June 30, 2014, the District had \$8,330,000 of outstanding defeased debt.

The District is subject to Kansas statutes and may issue general obligation bonds for capital improvements upon the approval of a majority of the voters. Remaining debt service requirements for general obligation bonds will be repaid from the Bond and Interest Fund with future tax assessments. Such general obligation indebtedness may not exceed the amount allowed for the District under K.S.A. 72-6761.

The District is subject to statutes of the State of Kansas which limit the bonded debt outstanding to 14% of the assessed valuation. The District's ratio of outstanding bonded debt to the assessed valuation as of June 30, 2014 was 8.61%.

NOTE 4 - Capital Projects

At year-end, capital project authorizations compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures To Date</u>
School Building & Athletic Field Improvements	\$ 95,050,177	\$ 94,812,877
School Facilities & Technology Upgrade - Phase I	\$ 93,108,180	\$ 51,804,901

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 5 - Compensated Absences

It is the District's policy to pay employees' accrued vacation pay upon termination of employment. Administrative and classified employees are eligible for this compensation. As of June 30, 2014, the liability for accrued vacation pay was \$745,735. A current portion, ten days, is reflected in the financial statements as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 91,199
Supplemental General	234,336
Adult Basic Education	5,966
Virtual Education	9,874
At-Risk (4 Year Old)	1,969
Food Service	8,529
Bilingual	2,839
Special Education	17,010
Vocational Education	<u>4,519</u>
Total	<u>\$ 376,241</u>

NOTE 6 - 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 K.S.A 74-4901 *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South 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 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%-5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The State of Kansas is required to contribute the statutory required employers share. Estimated Kansas contributions to KPERS for the District employees for the years ending June 30, 2014, 2013, and 2012, were \$7,024,817, \$6,206,550, and \$6,798,202, respectively, equal to the required contributions for each year.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 7 - Termination Benefits

The District also has a plan which covers District employees who voluntarily take early retirement. An employee is eligible for early retirement if such employee is a full time employee, not less than 57 years old and not more than 64 years old, has fifteen years or more of service with the District, and twenty years or more of service credit recognized by the Kansas Public Employees Retirement System (KPERs).

The benefits from this plan are computed using a formula based upon salary, age, and KPERs service credit and are payable over a five year period in January of each year. The cost of this plan in the fiscal year ended June 30, 2014, was \$1,039,002. The outstanding liability reflected in the financial statements for the retirees payable in January, 2014, is as follows:

<u>Funds</u>	<u>Amount</u>
Supplemental General	<u>\$ 1,039,002</u>
Total	<u>\$ 1,039,002</u>

The outstanding liability payable from January, 2015, through January, 2018, is \$3,145,029. Above, only the January, 2015 payment is reflected in the financial statements as an account payable.

NOTE 8 - Risk Management

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

*Workers' Compensation.* The District has established a limited risk management program for workers' compensation. Premiums are paid into the School Workers' Compensation Reserve Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. These interfund premiums are used to reduce the amount of claims expenditure reported in the School Workers' Compensation Reserve Fund. As of June 30, 2014, such interfund premiums did not exceed reimbursable expenditures.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Actual payment of claims and judgments is reported in the School Workers' Compensation Reserve Fund. Changes in the balance of claims liabilities during the past year are as follows:

Unpaid claims, July 1, 2013	\$ 540,503
Incurred claims (including IBNRs)	346,776
Claim payments and adjustments	<u>[270,024]</u>
Unpaid claims, June 30, 2014	<u>\$ 617,255</u>

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 9 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material negative effect on the financial statements of the District at June 30, 2014.

The District's general obligation bond issues are subject to the arbitrage provisions of Section 148 of the Internal Revenue Code. These provisions include the potential for rebates to the Federal Government of the earnings on the bond proceeds in excess of the yield on the bonds. The amounts of any future rebates due on other bonds or temporary notes have not been determined.

The District is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable. However, the resolution of these matters will not likely have a material adverse effect on the financial condition of the District.

NOTE 10 - Other Post Employment Benefits

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

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

NOTE 11 - Statutory Violations

Negative cash balances at June 30, 2014 in the Cordley Elementary Instructional Enhancement and Yearbook Funds violates KSA 10-1113.



UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

NOTE 12 - Interfund Transactions

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Bilingual Education	K.S.A. 72-6428	\$ 5,000
General	Special Education	K.S.A. 72-6428	12,447,615
General	Vocational Education	K.S.A. 72-6428	128,000
General	Virtual Education	K.S.A. 72-6428	5,573,160
General	At Risk (4 Year Old)	K.S.A. 72-6428	10,000
General	At Risk (K-12)	K.S.A. 72-6428	1,808,348
General	Health Care Services Reserve	K.S.A. 72-6428	3,213,049
General	School Workers' Compensation Reserve	K.S.A. 72-6428	229,088
Supplemental General	Bilingual Education	K.S.A. 72-6433	626,735
Supplemental General	Special Education	K.S.A. 72-6433	5,466,722
Supplemental General	Vocational Education	K.S.A. 72-6433	1,400,000
Supplemental General	Health Care Services Reserve	K.S.A. 72-6433	640,026
Supplemental General	School Workers' Compensation Reserve	K.S.A. 72-6428	47,061
Supplemental General	Professional Development	K.S.A. 72-6433	450,000
Supplemental General	Parent Education Program	K.S.A. 72-6433	18,000
Supplemental General	At Risk (4 Year Old)	K.S.A. 72-6433	140,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6433	3,204,412
Adult Basic Education	School Workers' Compensation Reserve	K.S.A. 44-505e	1,648
Adult Basic Education	Health Care Services Reserve	K.S.A. 72-8415a	20,152
Grants	School Workers' Compensation Reserve	K.S.A. 44-505e	8,309
Grants	Health Care Services Reserve	K.S.A. 72-8415a	193,155
Parent Education Program	School Workers' Compensation Reserve	K.S.A. 44-505e	697
Parent Education Program	Health Care Services Reserve	K.S.A. 72-8415a	14,359
Summer School	School Workers' Compensation Reserve	K.S.A. 44-505e	82
Professional Development	School Workers' Compensation Reserve	K.S.A. 44-505e	945
Food Service	School Workers' Compensation Reserve	K.S.A. 44-505e	10,905
Food Service	Health Care Services Reserve	K.S.A. 72-8415a	239,170
Driver Training	School Workers' Compensation Reserve	K.S.A. 44-505e	135
Bilingual Education	School Workers' Compensation Reserve	K.S.A. 44-505e	2,741
Bilingual Education	Health Care Services Reserve	K.S.A. 72-8415a	80,391
At Risk (K-12)	School Workers' Compensation Reserve	K.S.A. 44-505e	25,709
At Risk (K-12)	Health Care Services Reserve	K.S.A. 72-8415a	512,875
At Risk (4 Year Old)	School Workers' Compensation Reserve	K.S.A. 44-505e	2,320
At Risk (4 Year Old)	Health Care Services Reserve	K.S.A. 72-8415a	39,734
Vocational Education	School Workers' Compensation Reserve	K.S.A. 44-505e	7,442
Vocational Education	Health Care Services Reserve	K.S.A. 72-8415a	120,683
Virtual Education	School Workers' Compensation Reserve	K.S.A. 44-505e	9,467
Virtual Education	Health Care Services Reserve	K.S.A. 72-8415a	138,673
Special Education	School Workers' Compensation Reserve	K.S.A. 44-505e	81,472
Special Education	Health Care Services Reserve	K.S.A. 72-8415a	2,104,185
Local Donations	School Workers' Compensation Reserve	K.S.A. 44-505e	342
Total			<u>\$ 39,022,807</u>

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Financial Statements  
For the Year Ended June 30, 2014

**NOTE 13 - Tax-Deferred 403(b) Retirement Plan**

The District offers its employees a retirement plan ("Plan") created in accordance with Internal Revenue Code Section 403(b). The Plan, available to all District employees, permits them to save additional funds for retirement. The investment options under the Plan include annuity contracts and/or custodial accounts. Employees may elect to have make contributions of deferred salaries/wages to the Plan to the extent permitted by the Plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Plan participants are 100% vested in any elective deferral contributions made to the Plan as of the date such contribution is made.

In addition to the elective deferral plan described above, the District offers a Non-Elective Contribution Employer Paid Deferred Benefit 403(b) Plan ("Employer Paid Plan") for each professional employee employed at least half time in the District. This account is separate from any professional employee paid deferred benefit account, and no employee contributions, via salary reduction or otherwise, shall be allowed into the account.

The district will contribute \$60 per month (\$720 annually) into each full time professional employee's Employer Paid Plan. Professional employees employed on a less than half time basis during a contract year are not eligible to receive contributions into his/her Employer Paid Plan. Contributions will be prorated for professional employees who work less than full time in a certified position.

<u>FTE</u>	<u>Contribution</u>
.95 - 1.00	\$ 60
.85 - .94	54
.75 - .84	48
.65 - .74	42
.55 - .64	36
.50 - .54	30
Less than .50	-

A professional employee's ownership interest in his or her Employer Paid Plan shall vest in yearly increments. A professional employee will receive one year of vesting credit for each contract year completed, starting with the 2008-09 contract year, in which the professional employee is employed at least half time with the district. The following vesting schedule will be used to determine the professional employee's ownership interest in the funds in the account:

Year 1	0%
Year 2	20%
Year 3	40%
Year 4	60%
Year 5	80%
Year 6	100%

District contributions to employees' Employer Paid Plans for the years ending June 30, 2014 and 2013 were \$1,158,323 and \$1,020,751, respectively.

**NOTE 14 - Subsequent Events**

In October, 2014, the District passed a resolution authorizing the issuance of general obligation bonds in the amount of \$36,000,000. The authorized bonds will be the second issuance of bonds totaling \$92,500,000, which were approved during a bond election held on April 2, 2013. The first issuance of \$36,000,000 bonds was on August 1, 2013. The bond proceeds will be used to pay the costs to construct additions to and renovate, improve technology infrastructure, equip and furnish existing elementary and secondary schools; construct, equip, and furnish a new career and technology education facility and make all other necessary and related improvements in the District.

On July 15, 2014, the District refinanced the Athletics Fields/Equipment - Phase I Lease. The new lease agreement carries an interest rate of 1.63% and the District will make semi-annual payments of \$291,753 beginning on January 15, 2015 and ending on January 15, 2019.

SCHEDULE 1

UNIFIED SCHOOL DISTRICT NO. 497  
Summary of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended June 30, 2014

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year Budget</u>	<u>Variance Positive [Negative]</u>
General Funds:						
General Fund	\$ 68,468,769	\$ [1,163,293]	\$ 1,274,946	\$ 68,580,422	\$ 68,580,422	\$ -
Supplemental General	23,940,133	[422,749]	14,862	23,532,246	23,532,246	-
Special Purpose Funds:						
Adult Basic Education	620,000	-	-	620,000	369,777	250,223
At Risk (4 Year Old)	815,000	-	-	815,000	511,161	303,839
Adult Supplemental Education	25,981	-	-	25,981	-	25,981
At Risk (K-12)	6,455,000	-	-	6,455,000	5,745,637	709,363
Bilingual Education	675,000	-	-	675,000	670,813	4,187
Virtual Education	6,800,000	-	-	6,800,000	5,626,693	1,173,307
Capital Outlay	16,985,000	-	-	16,985,000	14,809,352	2,175,648
Driver Training	141,000	-	-	141,000	37,453	103,547
Food Service	6,000,000	-	-	6,000,000	4,643,818	1,356,182
Professional Development	700,000	-	-	700,000	580,848	119,152
Parent Education Program	235,000	-	-	235,000	166,084	68,916
Summer School	150,000	-	-	150,000	16,844	133,156
Special Education	23,000,000	-	-	23,000,000	21,968,605	1,031,395
Cost of Living	1,290,500	-	-	1,290,500	1,290,500	-
Vocational Education	2,000,000	-	-	2,000,000	1,759,733	240,267
KPERS Special Retirement Contribution	7,385,795	-	-	7,385,795	7,024,817	360,978
Grants	2,527,965	-	-	2,527,965	2,163,756	364,209
Bond and Interest Funds:						
Bond and Interest	11,113,235	-	-	11,113,235	10,399,290	713,945
Special Assessment	300,000	-	-	300,000	74,710	225,290

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
General Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 18,213,019	\$ 18,485,945	\$ 17,684,804	\$ 801,141
Delinquent tax	313,403	248,030	241,462	6,568
State Aid:				
Equalization aid	36,094,300	36,463,061	38,587,327	[2,124,266]
Juvenile detention center	159,661	250,237	-	250,237
Special education aid	10,868,507	12,076,534	11,923,270	153,264
Miscellaneous	23,412	-	-	-
Reimbursed expenses	1,324,281	1,024,709	-	1,024,709
Total Receipts	<u>66,996,583</u>	<u>68,548,516</u>	<u>\$ 68,436,863</u>	<u>\$ 111,653</u>
Expenditures				
Instruction	28,264,601	29,119,280	\$ 33,782,676	\$ 4,663,396
Student support services	2,685,318	2,716,169	3,124,676	408,507
Instructional support	2,052,223	1,873,680	1,846,012	[27,668]
General administration	205,038	177,658	182,450	4,792
School administration	689,272	369,048	169,513	[199,535]
Operations and maintenance	7,578,938	8,001,513	8,000,039	[1,474]
Transportation	299,643	312,213	239,713	[72,500]
Other supplemental services	2,652,352	2,596,601	1,208,674	[1,387,927]
Transfers out	22,556,161	23,414,260	19,915,016	[3,499,244]
Adjustment to comply with legal max budget	-	-	[1,163,293]	[1,163,293]
Adjustment for qualifying budget credits	-	-	1,274,946	1,274,946
Total Expenditures	<u>66,983,546</u>	<u>68,580,422</u>	<u>\$ 68,580,422</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	13,037	[31,906]		
Unencumbered Cash, Beginning	<u>18,869</u>	<u>31,906</u>		
Unencumbered Cash, Ending	<u>\$ 31,906</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Supplemental General Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 17,319,248	\$ 17,452,216	\$ 16,281,461	\$ 1,170,755
Delinquent tax	323,845	247,915	229,328	18,587
Motor vehicle tax	1,711,398	1,627,734	1,443,696	184,038
Reimbursed expenses	8,903	14,862	-	14,862
State aid	3,485,668	3,681,369	3,686,110	[4,741]
Total Receipts	<u>22,849,062</u>	<u>23,024,096</u>	<u>\$ 21,640,595</u>	<u>\$ 1,383,501</u>
Expenditures				
Instruction	670,866	1,098,183	\$ 1,467,421	\$ 369,238
Student support services	82,977	109,425	180,055	70,630
Instructional support	857,134	1,337,574	1,096,965	[240,609]
General administration	338,229	400,568	477,190	76,622
School administration	3,958,398	4,299,373	4,646,505	347,132
Operations and maintenance	33,597	46,539	15,600	[30,939]
Transportation	1,713,431	1,599,397	2,000,000	400,603
Other supplemental services	2,736,544	2,648,231	3,417,045	768,814
Transfers out	12,562,282	11,992,956	10,639,352	[1,353,604]
Adjustment to comply with legal max budget	-	-	[422,749]	[422,749]
Adjustment for qualifying budget credits	-	-	14,862	14,862
Total Expenditures	<u>22,953,458</u>	<u>23,532,246</u>	<u>\$ 23,532,246</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[104,396]	[508,150]		
Unencumbered Cash, Beginning	<u>2,403,934</u>	<u>2,299,538</u>		
Unencumbered Cash, Ending	<u>\$ 2,299,538</u>	<u>\$ 1,791,388</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Adult Basic Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 383,823	\$ 247,253	\$ 235,183	\$ 12,070
Delinquent tax	4,570	4,491	5,088	[597]
Motor vehicle tax	25,543	34,734	31,081	3,653
Federal aid	84,639	87,598	68,645	18,953
State aid	52,482	58,936	58,159	777
Reimbursed expenses	330	371	-	371
Miscellaneous	9,781	6,625	5,000	1,625
Total Receipts	<u>561,168</u>	<u>440,008</u>	<u>\$ 403,156</u>	<u>\$ 36,852</u>
Expenditures				
Instruction	303,325	289,173	\$ 516,500	\$ 227,327
Student support services	18,520	19,166	39,500	20,334
Instructional support staff	37,308	39,638	64,000	24,362
Transfers out	18,151	21,800	-	[21,800]
Total Expenditures	<u>377,304</u>	<u>369,777</u>	<u>\$ 620,000</u>	<u>\$ 250,223</u>
Receipts Over [Under] Expenditures	183,864	70,231		
Unencumbered Cash, Beginning	<u>365,633</u>	<u>549,497</u>		
Unencumbered Cash, Ending	<u>\$ 549,497</u>	<u>\$ 619,728</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
At Risk (4 Year Old) Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Miscellaneous	\$ 305,117	\$ 330,959	\$ 178,000	\$ 152,959
Donations	-	100,000	-	100,000
Reimbursed expenses	1,212	1,137	-	1,137
Transfers in	150,000	150,000	191,900	[41,900]
Total Receipts	<u>456,329</u>	<u>582,096</u>	<u>\$ 369,900</u>	<u>\$ 212,196</u>
Expenditures				
Instruction	331,096	322,824	\$ 637,500	\$ 314,676
Student support services	46,921	47,724	49,500	1,776
Instructional support staff	-	20,888	35,000	14,112
School administration	76,554	77,671	93,000	15,329
Transfers out	44,625	42,054	-	[42,054]
Total Expenditures	<u>499,196</u>	<u>511,161</u>	<u>\$ 815,000</u>	<u>\$ 303,839</u>
Receipts Over [Under] Expenditures	[42,867]	70,935		
Unencumbered Cash, Beginning	<u>550,518</u>	<u>507,651</u>		
Unencumbered Cash, Ending	<u>\$ 507,651</u>	<u>\$ 578,586</u>		

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Adult Supplemental Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	<u>[Negative]</u>
Receipts				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total Receipts	-	-	-	-
Expenditures				
Instruction	-	-	\$ 25,981	\$ 25,981
Total Expenditures	-	-	\$ 25,981	\$ 25,981
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	25,982	25,982		
Unencumbered Cash, Ending	\$ 25,982	\$ 25,982		

See independent auditor's report on the financial statements.



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
At Risk (K-12) Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers in	\$ 5,962,717	\$ 5,012,760	\$ 4,962,717	\$ 50,043
Reimbursed expenses	<u>9,793</u>	<u>13,333</u>	<u>-</u>	<u>13,333</u>
Total Receipts	<u>5,972,510</u>	<u>5,026,093</u>	<u>\$ 4,962,717</u>	<u>\$ 63,376</u>
Expenditures				
Instruction	4,405,322	5,174,176	\$ 6,455,000	\$ 1,280,824
Instructional support staff	-	32,877	-	[32,877]
Transportation	2,721	-	-	-
Transfers out	<u>426,833</u>	<u>538,584</u>	<u>-</u>	<u>[538,584]</u>
Total Expenditures	<u>4,834,876</u>	<u>5,745,637</u>	<u>\$ 6,455,000</u>	<u>\$ 709,363</u>
Receipts Over [Under] Expenditures	1,137,634	[719,544]		
Unencumbered Cash, Beginning	<u>2,566,461</u>	<u>3,704,095</u>		
Unencumbered Cash, Ending	<u>\$ 3,704,095</u>	<u>\$ 2,984,551</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Bilingual Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Transfers in	\$ 613,312	\$ 631,735	\$ 631,735	\$ -
Reimbursed expenses	<u>1,753</u>	<u>1,817</u>	<u>-</u>	<u>1,817</u>
Total Receipts	<u>615,065</u>	<u>633,552</u>	<u>\$ 631,735</u>	<u>\$ 1,817</u>
Expenditures				
Instruction	410,185	319,150	\$ 431,700	\$ 112,550
Student support services	87,167	95,488	88,800	[6,688]
Instructional support	55,408	173,043	154,500	[18,543]
Transfers out	<u>64,075</u>	<u>83,132</u>	<u>-</u>	<u>[83,132]</u>
Total Expenditures	<u>616,835</u>	<u>670,813</u>	<u>\$ 675,000</u>	<u>\$ 4,187</u>
Receipts Over [Under] Expenditures	[1,770]	[37,261]		
Unencumbered Cash, Beginning	<u>99,785</u>	<u>98,015</u>		
Unencumbered Cash, Ending	<u>\$ 98,015</u>	<u>\$ 60,754</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Virtual Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Reimbursed expenses	\$ 4,076	\$ 9,420	\$ -	\$ 9,420
Transfers in	<u>5,772,736</u>	<u>5,573,160</u>	<u>5,876,746</u>	<u>[303,586]</u>
Total Receipts	<u>5,776,812</u>	<u>5,582,580</u>	<u>\$ 5,876,746</u>	<u>\$ [294,166]</u>
Expenditures				
Instruction	4,715,400	4,976,139	\$ 6,320,800	\$ 1,344,661
Student support services	6,163	3,810	20,000	16,190
Instructional support	24,171	8,656	-	[8,656]
School administration	374,294	443,568	404,000	[39,568]
Operations and maintenance	43,928	46,380	55,200	8,820
Transfers out	<u>151,076</u>	<u>148,140</u>	<u>-</u>	<u>[148,140]</u>
Total Expenditures	<u>5,315,032</u>	<u>5,626,693</u>	<u>\$ 6,800,000</u>	<u>\$ 1,173,307</u>
Receipts Over [Under] Expenditures	461,780	[44,113]		
Unencumbered Cash, Beginning	<u>585,046</u>	<u>1,046,826</u>		
Unencumbered Cash, Ending	<u>\$ 1,046,826</u>	<u>\$ 1,002,713</u>		

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Capital Outlay Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 7,648,637	\$ 7,798,841	\$ 7,462,940	\$ 335,901
Delinquent tax	109,109	94,078	101,654	[7,576]
Motor vehicle tax	546,666	637,164	567,060	70,104
Investment income	15,532	20,578	10,000	10,578
Reimbursed expenses	61,208	279,658	-	279,658
Lease proceeds	-	2,132,352	-	2,132,352
Donations	-	965,000	-	965,000
Miscellaneous	703,414	853,242	2,000,000	[1,146,758]
Flood control	19,154	17,576	15,000	2,576
Total Receipts	<u>9,103,720</u>	<u>12,798,489</u>	<u>\$ 10,156,654</u>	<u>\$ 2,641,835</u>
Expenditures				
Instruction	941,073	5,289,415	\$ 4,000,000	\$ [1,289,415]
Student support services	12,635	2,710	25,000	22,290
Instructional support	108,579	108,302	625,000	516,698
General administration	1,227	5,354	25,000	19,646
School administration	17,555	48,541	25,000	[23,541]
Operations and maintenance	393,882	400,034	300,000	[100,034]
Central support services	157,214	664,734	625,000	[39,734]
Other support services	108,069	129,013	100,000	[29,013]
Facility acquisition and construction services	<u>3,585,794</u>	<u>8,161,249</u>	<u>11,260,000</u>	<u>3,098,751</u>
Total Expenditures	<u>5,326,028</u>	<u>14,809,352</u>	<u>\$ 16,985,000</u>	<u>\$ 2,175,648</u>
Receipts Over [Under] Expenditures	3,777,692	[2,010,863]		
Unencumbered Cash, Beginning	<u>5,401,236</u>	<u>9,178,928</u>		
Unencumbered Cash, Ending	<u>\$ 9,178,928</u>	<u>\$ 7,168,065</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Driver Training Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 10,695	\$ 8,160	\$ 34,500	\$ [26,340]
Charges for services	<u>21,638</u>	<u>16,540</u>	<u>35,358</u>	<u>[18,818]</u>
Total Receipts	<u>32,333</u>	<u>24,700</u>	<u>\$ 69,858</u>	<u>\$ [45,158]</u>
Expenditures				
Instruction	20,967	22,044	\$ 90,125	\$ 68,081
Instructional support	826	5,740	10,875	5,135
Operations and maintenance	2,112	9,534	40,000	30,466
Transfers out	<u>110</u>	<u>135</u>	<u>-</u>	<u>[135]</u>
Total Expenditures	<u>24,015</u>	<u>37,453</u>	<u>\$ 141,000</u>	<u>\$ 103,547</u>
Receipts Over [Under] Expenditures	8,318	[12,753]		
Unencumbered Cash, Beginning	<u>62,824</u>	<u>71,142</u>		
Unencumbered Cash, Ending	<u>\$ 71,142</u>	<u>\$ 58,389</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Food Service Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Federal aid	\$ 2,669,134	\$ 2,702,515	\$ 2,530,125	\$ 172,390
State aid	46,809	45,688	46,560	[872]
Charges for services	1,890,049	1,840,391	2,793,338	[952,947]
Investment income	35	100	-	100
Total Receipts	<u>4,606,027</u>	<u>4,588,694</u>	<u>\$ 5,370,023</u>	<u>\$ [781,329]</u>
Expenditures				
Food service operation	4,433,720	4,393,743	\$ 6,000,000	\$ 1,606,257
Transfers out	300,945	250,075	-	[250,075]
Total Expenditures	<u>4,734,665</u>	<u>4,643,818</u>	<u>\$ 6,000,000</u>	<u>\$ 1,356,182</u>
Receipts Over [Under] Expenditures	[128,638]	[55,124]		
Unencumbered Cash, Beginning	<u>1,278,650</u>	<u>1,150,012</u>		
Unencumbered Cash, Ending	<u>\$ 1,150,012</u>	<u>\$ 1,094,888</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Professional Development Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Miscellaneous	\$ 560	\$ 14,492	\$ -	\$ 14,492
Reimbursed expenses	1,068	1,175	-	1,175
Donations	500	1,000	-	1,000
Transfers in	<u>513,347</u>	<u>450,000</u>	<u>450,000</u>	<u>-</u>
Total Receipts	<u>515,475</u>	<u>466,667</u>	<u>\$ 450,000</u>	<u>\$ 16,667</u>
Expenditures				
Instructional support	463,928	566,043	\$ 693,250	\$ 127,207
Student support services	-	199	-	[199]
Other supplemental service	2,595	13,661	6,750	[6,911]
Transfers out	<u>984</u>	<u>945</u>	<u>-</u>	<u>[945]</u>
Total Expenditures	<u>467,507</u>	<u>580,848</u>	<u>\$ 700,000</u>	<u>\$ 119,152</u>
Receipts Over [Under] Expenditures	47,968	[114,181]		
Unencumbered Cash, Beginning	<u>316,264</u>	<u>364,232</u>		
Unencumbered Cash, Ending	<u>\$ 364,232</u>	<u>\$ 250,051</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Parent Education Program Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 126,962	\$ 126,962	\$ 126,962	\$ -
Miscellaneous	4,256	15,705	10,000	5,705
Transfers in	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Total Receipts	<u>149,218</u>	<u>160,667</u>	<u>\$ 154,962</u>	<u>\$ 5,705</u>
Expenditures				
Support services	132,992	144,807	\$ 220,850	\$ 76,043
Instructional support staff	5,074	6,221	5,000	[1,221]
Other supplemental services	-	-	9,150	9,150
Transfers out	<u>9,329</u>	<u>15,056</u>	<u>-</u>	<u>[15,056]</u>
Total Expenditures	<u>147,395</u>	<u>166,084</u>	<u>\$ 235,000</u>	<u>\$ 68,916</u>
Receipts Over [Under] Expenditures	1,823	[5,417]		
Unencumbered Cash, Beginning	<u>85,072</u>	<u>86,895</u>		
Unencumbered Cash, Ending	<u>\$ 86,895</u>	<u>\$ 81,478</u>		

See independent auditor's report on the financial statements.



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Summer School Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Charges for services	\$ 27,365	\$ 26,845	\$ 20,000	\$ 6,845
Total Receipts	<u>27,365</u>	<u>26,845</u>	<u>\$ 20,000</u>	<u>\$ 6,845</u>
Expenditures				
Instruction	10,531	16,762	\$ 145,100	\$ 128,338
Student support services	-	-	2,700	2,700
Instructional support staff	8	-	2,200	2,200
Transfers out	51	82	-	[82]
Total Expenditures	<u>10,590</u>	<u>16,844</u>	<u>\$ 150,000</u>	<u>\$ 133,156</u>
Receipts Over [Under] Expenditures	16,775	10,001		
Unencumbered Cash, Beginning	<u>151,551</u>	<u>168,326</u>		
Unencumbered Cash, Ending	<u>\$ 168,326</u>	<u>\$ 178,327</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Special Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 4,916	\$ 5,906	\$ 10,000	\$ [4,094]
Federal aid	2,375,686	2,355,933	2,987,656	[631,723]
Reimbursed expenses	1,181,934	908,760	-	908,760
Donations	1,043	-	-	-
Transfers in	16,611,246	17,914,337	16,923,270	991,067
Total Receipts	<u>20,174,825</u>	<u>21,184,936</u>	<u>\$ 19,920,926</u>	<u>\$ 1,264,010</u>
Expenditures				
Instruction	12,465,814	12,968,383	\$ 16,289,600	\$ 3,321,217
Student support services	2,700,045	3,165,509	3,265,000	99,491
Instructional support staff	629,110	856,354	882,000	25,646
Operations and maintenance	9,157	8,378	19,500	11,122
Vehicle operating services	2,503,635	2,784,324	2,533,900	[250,424]
Other supplemental services	-	-	10,000	10,000
Transfers out	1,972,150	2,185,657	-	[2,185,657]
Total Expenditures	<u>20,279,911</u>	<u>21,968,605</u>	<u>\$ 23,000,000</u>	<u>\$ 1,031,395</u>
Receipts Over [Under] Expenditures	[105,086]	[783,669]		
Unencumbered Cash, Beginning	<u>9,792,881</u>	<u>9,687,795</u>		
Unencumbered Cash, Ending	<u>\$ 9,687,795</u>	<u>\$ 8,904,126</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Cost of Living Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	<u>[Negative]</u>
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 1,021,139	\$ 1,162,903	\$ 1,166,635	\$ [3,732]
Delinquent tax	20,494	15,252	13,525	1,727
Motor vehicle tax	109,428	95,206	84,506	10,700
Total Receipts	<u>1,151,061</u>	<u>1,273,361</u>	<u>\$ 1,264,666</u>	<u>\$ 8,695</u>
Expenditures				
State payment	<u>1,290,950</u>	<u>1,290,500</u>	<u>\$ 1,290,500</u>	<u>\$ -</u>
Total Expenditures	<u>1,290,950</u>	<u>1,290,500</u>	<u>\$ 1,290,500</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[139,889]	[17,139]		
Unencumbered Cash, Beginning	<u>165,722</u>	<u>25,833</u>		
Unencumbered Cash, Ending	<u>\$ 25,833</u>	<u>\$ 8,694</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Vocational Education Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Reimbursed expenses	\$ 3,011	\$ 3,606	\$ -	\$ 3,606
Miscellaneous	13	2,896	-	2,896
Transfers in	<u>1,500,000</u>	<u>1,528,000</u>	<u>1,500,000</u>	<u>28,000</u>
Total Receipts	<u>1,503,024</u>	<u>1,534,502</u>	<u>\$ 1,500,000</u>	<u>\$ 34,502</u>
Expenditures				
Instruction	1,379,845	1,487,938	\$ 1,818,000	\$ 330,062
Instructional support	77,422	142,703	162,000	19,297
Operations and maintenance	6,187	967	20,000	19,033
Transfers out	<u>111,083</u>	<u>128,125</u>	<u>-</u>	<u>[128,125]</u>
Total Expenditures	<u>1,574,537</u>	<u>1,759,733</u>	<u>\$ 2,000,000</u>	<u>\$ 240,267</u>
Receipts Over [Under] Expenditures	[71,513]	[225,231]		
Unencumbered Cash, Beginning	<u>698,846</u>	<u>627,333</u>		
Unencumbered Cash, Ending	<u>\$ 627,333</u>	<u>\$ 402,102</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
KPERS Special Retirement Contribution Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State aid	\$ 6,206,550	\$ 7,024,817	\$ 7,385,795	\$ [360,978]
Total Receipts	<u>6,206,550</u>	<u>7,024,817</u>	<u>\$ 7,385,795</u>	<u>\$ [360,978]</u>
Expenditures				
Instruction	4,305,625	4,950,246	\$ 5,204,619	\$ 254,373
Student support services	460,152	523,159	550,042	26,883
Instructional support	340,670	357,791	376,177	18,386
General administration	32,010	38,485	40,463	1,978
School administration	392,606	420,214	441,807	21,593
Operations and maintenance	225,116	312,754	328,825	16,071
Other supplemental services	284,699	263,843	277,401	13,558
Food service	165,672	158,325	166,461	8,136
Total Expenditures	<u>6,206,550</u>	<u>7,024,817</u>	<u>\$ 7,385,795</u>	<u>\$ 360,978</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Contingency Reserve Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2014 and 2013

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Reimbursements	\$ 2,275	\$ 1,425
Total Receipts	<u>2,275</u>	<u>1,425</u>
Expenditures		
Instructional support	-	405,303
Student activities	4	-
Transfers out	<u>64,347</u>	<u>-</u>
Total Expenditures	<u>64,351</u>	<u>405,303</u>
Receipts Over [Under] Expenditures	[62,076]	[403,878]
Unencumbered Cash, Beginning	<u>6,612,036</u>	<u>6,549,960</u>
Unencumbered Cash, Ending	<u>\$ 6,549,960</u>	<u>\$ 6,146,082</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Textbook Rental Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2014 and 2013

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 35,552	\$ 20,857
Total Receipts	<u>35,552</u>	<u>20,857</u>
Expenditures		
Instruction	<u>609,737</u>	<u>299,108</u>
Total Expenditures	<u>609,737</u>	<u>299,108</u>
Receipts Over [Under] Expenditures	[574,185]	[278,251]
Unencumbered Cash, Beginning	<u>852,436</u>	<u>278,251</u>
Unencumbered Cash, Ending	<u>\$ 278,251</u>	<u>\$ -</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Student Material Revolving Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2014 and 2013

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 870,393	\$ 831,359
Total Receipts	<u>870,393</u>	<u>831,359</u>
Expenditures		
Instruction	<u>353,520</u>	<u>645,308</u>
Total Expenditures	<u>353,520</u>	<u>645,308</u>
Receipts Over [Under] Expenditures	516,873	186,051
Unencumbered Cash, Beginning	<u>727,281</u>	<u>1,244,154</u>
Unencumbered Cash, Ending	<u>\$ 1,244,154</u>	<u>\$ 1,430,205</u>

\* This fund is not required to be budgeted.



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Grants Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal Aid:				
Title I	\$ 1,707,041	\$ 1,501,893	\$ 1,700,000	\$ [198,107]
Title II A - Improving Teacher Quality	470,990	406,025	475,000	[68,975]
Carl Perkins Vocational Act Program Improvement	77,220	79,193	-	79,193
Title III-English as a Second Language	16,578	99,577	115,000	[15,423]
Johnson O'Malley Grant	<u>134,339</u>	<u>174,425</u>	<u>-</u>	<u>174,425</u>
Total Federal Aid	2,406,168	2,261,113	2,290,000	[28,887]
Other Receipts:				
Other grants and donations	<u>16,469</u>	<u>119,415</u>	<u>230,000</u>	<u>[110,585]</u>
Total Receipts	<u>2,422,637</u>	<u>2,380,528</u>	<u>\$ 2,520,000</u>	<u>\$ [139,472]</u>
Expenditures				
Instruction	1,684,652	1,607,514	\$ 1,726,265	\$ 118,751
Student support services	74,407	87,563	109,000	21,437
Instructional support staff	210,595	168,099	613,000	444,901
General administration	64,704	11,850	79,700	67,850
Transportation	130,185	87,266	-	[87,266]
Transfers out	<u>231,502</u>	<u>201,464</u>	<u>-</u>	<u>[201,464]</u>
Total Expenditures	<u>2,396,045</u>	<u>2,163,756</u>	<u>\$ 2,527,965</u>	<u>\$ 364,209</u>
Receipts Over [Under] Expenditures	26,592	216,772		
Unencumbered Cash, Beginning	<u>[17,276]</u>	<u>9,316</u>		
Unencumbered Cash, Ending	<u>\$ 9,316</u>	<u>\$ 226,088</u>		

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Bond and Interest Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	\$ 10,223,362	\$ 10,295,635	\$ 9,868,270	\$ 427,365
Delinquent tax	189,841	149,651	135,236	14,415
Motor vehicle tax	1,046,240	989,698	877,109	112,589
Miscellaneous	11,014	-	-	-
State Aid	-	208,445	222,245	[13,800]
Investment income	18	26,242	-	26,242
Total Receipts	<u>11,470,475</u>	<u>11,669,671</u>	<u>\$ 11,102,860</u>	<u>\$ 566,811</u>
Expenditures				
Bond principal	9,140,000	7,340,000	\$ 7,340,000	\$ -
Interest	2,677,760	3,059,290	3,772,235	712,945
Commissions	-	-	1,000	1,000
Total Expenditures	<u>11,817,760</u>	<u>10,399,290</u>	<u>\$ 11,113,235</u>	<u>\$ 713,945</u>
Receipts Over [Under] Expenditures	[347,285]	1,270,381		
Unencumbered Cash, Beginning	<u>11,596,098</u>	<u>11,248,813</u>		
Unencumbered Cash, Ending	<u>\$ 11,248,813</u>	<u>\$ 12,519,194</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual and Budget  
Special Assessment Fund  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	<u>Current Year</u>		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	<u>[Negative]</u>
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	\$ 81,363	\$ 1,984	\$ 1,071	\$ 913
Delinquent tax	2,232	1,586	1,036	550
Motor vehicle tax	9,179	16,576	14,628	1,948
Reimbursed expenses	-	6,865	-	6,865
Total Receipts	<u>92,774</u>	<u>27,011</u>	<u>\$ 16,735</u>	<u>\$ 10,276</u>
Expenditures				
Capital outlay	<u>67,689</u>	<u>74,710</u>	<u>\$ 300,000</u>	<u>\$ 225,290</u>
Total Expenditures	<u>67,689</u>	<u>74,710</u>	<u>\$ 300,000</u>	<u>\$ 225,290</u>
Receipts Over [Under] Expenditures	25,085	[47,699]		
Unencumbered Cash, Beginning	<u>451,133</u>	<u>476,218</u>		
Unencumbered Cash, Ending	<u>\$ 476,218</u>	<u>\$ 428,519</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Capital Projects Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2014  
(With Comparative Actual Amounts for the Year Ended June 30, 2013)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Investment income	\$ 368	\$ 608,180
Bond proceeds	-	36,000,000
Total Receipts	<u>368</u>	<u>36,608,180</u>
Expenditures		
Instruction	716,036	-
General administration	-	61,008
Operations and maintenance	-	334,191
Business services	51,764	313,460
Food service operation	-	200,378
Building repair and remodeling	<u>180,448</u>	<u>50,893,520</u>
Total Expenditures	<u>948,248</u>	<u>51,802,557</u>
Receipts Over [Under] Expenditures	[947,880]	[15,194,377]
Unencumbered Cash, Beginning	<u>1,182,836</u>	<u>234,956</u>
Unencumbered Cash, Ending	<u>\$ 234,956</u>	<u>\$ [14,959,421]</u>

\* These funds are not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
School Workers' Compensation Reserve Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2014 and 2013

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ 612,864	\$ 428,363
Reimbursed expenses	<u>3,355</u>	<u>22,321</u>
Total Receipts	<u>616,219</u>	<u>450,684</u>
Expenditures		
Instruction	283,381	345,826
Instructional support	3,315	-
General administration	<u>52,664</u>	<u>54,209</u>
Total Expenditures	<u>339,360</u>	<u>400,035</u>
Receipts Over [Under] Expenditures	276,859	50,649
Unencumbered Cash, Beginning	<u>1,901,847</u>	<u>2,178,706</u>
Unencumbered Cash, Ending	<u>\$ 2,178,706</u>	<u>\$ 2,229,355</u>

\* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Receipts and Expenditures - Actual  
Health Care Services Reserve Fund \*  
Regulatory Basis  
For the Year Ended June 30, 2014 and 2013

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 1,737,087	\$ 1,817,325
Transfers in	6,761,058	7,316,452
Miscellaneous	<u>86,069</u>	<u>254</u>
Total Receipts	<u>8,584,214</u>	<u>9,134,031</u>
Expenditures		
Group insurance	8,253,952	9,733,650
Other insurance services	<u>11,250</u>	<u>11,250</u>
Total Expenditures	<u>8,265,202</u>	<u>9,744,900</u>
Receipts Over [Under] Expenditures	319,012	[610,869]
Unencumbered Cash, Beginning	<u>7,037,242</u>	<u>7,356,254</u>
Unencumbered Cash, Ending	<u>\$ 7,356,254</u>	<u>\$ 6,745,385</u>

\* This fund is not required to be budgeted.

## SCHEDULE 3

UNIFIED SCHOOL DISTRICT NO. 497  
Trust Funds  
Schedule of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2014

<u>FUNDS</u>	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Lawrence High School							
Heart of a Lion Fund	\$ -	\$ -	\$ 16,869	\$ 16,869	\$ -	\$ -	\$ -
Testing	-	-	37,478	37,478	-	-	-
School District Landscaping	-	-	2,077	2,077	-	-	-
Jennifer Trapp Memorial	580	-	-	-	580	-	580
Central Middle School							
Tom Olin Memorial	158	-	-	13	145	-	145
Teresa Lail Memorial	258	-	-	-	258	-	258
Duver Memorial	856	-	-	60	796	-	796
Alicia A. Chavez Memorial Fund	2,218	-	-	175	2,043	-	2,043
South Middle School							
Haskell CoOp	-	-	152	152	-	-	-
Cougar Relief	-	-	2,500	2,368	132	-	132
West Middle School							
Opportunity West	-	-	16,137	9,056	7,081	-	7,081
Carson Memorial	-	-	958	-	958	-	958
Cunningham Memorial	-	-	1,777	360	1,417	-	1,417
Lawrence Public Schools							
Memorial Funds	224,521	-	4,308	3,450	225,379	-	225,379
Local Donations Fund	475,375	-	334,799	243,794	566,380	20,155	586,535
Total Other Private Purpose							
Trust Funds	<u>\$ 703,966</u>	<u>\$ -</u>	<u>\$ 417,055</u>	<u>\$ 315,852</u>	<u>\$ 805,169</u>	<u>\$ 20,155</u>	<u>\$ 825,324</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2014

FUNDS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
<b>ELEMENTARY SCHOOLS</b>				
Cordley Elementary				
Student Council	\$ 135	\$ -	\$ -	\$ 135
Just Say No Club	1	-	-	1
Library Media	-	39	39	-
Instructional Enhancement	-	4,507	4,661	[154]
Yearbook	[24]	2,066	2,054	[12]
Total Cordley Activity Funds	112	6,612	6,754	[30]
Deerfield Elementary				
Student Council	-	602	602	-
Picture Fund	-	16	16	-
Coke Machine	-	766	766	-
Yearbook	-	3,362	3,362	-
Total Deerfield Activity Funds	-	4,746	4,746	-
Hillcrest Elementary				
6th Grade Trip	-	774	774	-
Library Media	-	231	231	-
Pop Machine	-	425	425	-
Total Hillcrest Activity Funds	-	1,430	1,430	-
Kennedy Elementary				
Library Media	-	52	52	-
Total Kennedy Activity Funds	-	52	52	-
Langston Hughes Elementary				
Field Trips	-	5,878	5,878	-
Library Media	-	105	105	-
Recorder Fund	-	203	203	-
Total Langston Hughes Activity Funds	-	6,186	6,186	-
Prairie Park Elementary				
Student Council	1,652	3,948	4,432	1,168
Total Prairie Park Activity Funds	1,652	3,948	4,432	1,168
Schwegler Elementary				
Yearbook	-	2,555	2,555	-
Library	-	120	120	-
Total Schwegler Activity Funds	-	2,675	2,675	-
Sunflower Elementary				
Student Council	2,137	1,200	975	2,362
Library Fund	-	102	102	-
Picture Fund	-	3,604	3,604	-
Total Sunflower Activity Funds	2,137	4,906	4,681	2,362
Sunset Hill Elementary				
Student Council	-	153	153	-
Total Sunset Hill Activity Funds	-	153	153	-
Woodlawn Elementary				
Lost Library Books	-	37	37	-
Student Council	112	-	-	112
Total Woodlawn Activity Funds	112	37	37	112
Total Elementary School Activity Funds	4,013	30,745	31,146	3,612



UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2014

<u>FUNDS</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
<b>MIDDLE SCHOOLS</b>				
Central Middle School				
Chess Club	\$ 235	\$ -	\$ -	\$ 235
Excalibur	3,619	1,260	307	4,572
Freshman Fund	197	-	-	197
Garden Club	1,016	-	150	866
Builder's Club	-	796	520	276
History Day	2,323	4	934	1,393
Pep Club	1,392	1,739	2,427	704
Sales Tax	-	1,098	1,098	-
Speech and Drama	988	2,689	2,299	1,378
Student Council	1,281	586	834	1,033
Red Ribbon	310	-	-	310
National Junior Honor Society	329	-	-	329
Yearbook	-	3,705	3,171	534
Total Central Middle School Activity Funds	<u>11,690</u>	<u>11,877</u>	<u>11,740</u>	<u>11,827</u>
South Middle School				
Junior Players	3,292	3,507	3,369	3,430
International Club	754	-	-	754
Adventure Club	5,084	637	725	4,996
Physical Education	343	-	58	285
Student Council	5,140	18,106	19,268	3,978
Yearbook	190	5,976	5,289	877
South Singers	2,895	645	3,105	435
Cheerleaders	134	-	-	134
Band	270	127	184	213
Orchestra	4,956	6,941	5,876	6,021
Black Male Brothers	688	1,906	1,869	725
Women of Color	383	1,473	1,856	-
Garden Club	815	143	-	958
Cougar Grrrrl Power	-	89	77	12
Honor the Circle	158	-	-	158
Total South Middle School Activity Funds	<u>25,102</u>	<u>39,550</u>	<u>41,676</u>	<u>22,976</u>
Southwest Middle School				
Student Council	7,909	16,886	16,079	8,716
Stuco-Bulldog Help	602	-	410	192
Chess Club	1,675	-	-	1,675
Math Club	289	130	-	419
Garden Fund	2,104	4,518	4,674	1,948
Future City Group	1,591	1,250	2,500	341
International Club	131	-	52	79
Cheerleaders	-	2,037	2,037	-
Volleyball/Girls BB	-	782	782	-
Game Shirts/Athletic Programs	-	1,452	1,452	-
BelCanto	-	13,257	13,257	-
Yearbook	-	18,914	18,914	-
6th Grade Activities	-	3,649	3,649	-
Seventh Grade Activities	-	1,993	1,993	-
Drama	-	9,495	9,495	-
Eighth Grade Activities	-	4,051	4,051	-
Enrichment	-	2,683	2,683	-
ER	-	1,879	1,879	-
Newspaper	-	22	22	-
SPED project	-	43	43	-
SW Business Partners	-	2,710	2,710	-
Band	-	2,763	2,763	-
Orchestra	-	1,087	1,087	-
T-shirt	-	1	1	-
Student Assistance	-	51	51	-
Library Book Fair/fines	-	1,987	1,987	-
Global Studies	-	829	829	-
ID Supplies	-	3,109	3,109	-
Total Southwest Middle School Activity Funds	<u>14,301</u>	<u>95,578</u>	<u>96,509</u>	<u>13,370</u>

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2014

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
<b>FUNDS</b>				
<b>MIDDLE SCHOOLS (Continued)</b>				
West Middle School				
Applebee's Fundraiser	\$ -	\$ 2,274	\$ 2,274	\$ -
Cheerleading Club	988	230	911	307
Speech and Drama	3,041	4,157	2,876	4,322
Student Council	2,682	13,744	14,503	1,923
Yearbook	5,151	7,848	6,886	6,113
Chorale	1,918	7,147	4,729	4,336
Instrumental Music	338	1,822	990	1,170
Carnival Fundraiser from POWW	-	4,439	4,439	-
Morgenroth Band	9	1,459	1,269	199
Library Book Fund	14	-	-	14
Track	639	668	307	1,000
Gifted	573	156	524	205
Principal's Fund	174	100	-	274
8th Grade Boys Basketball Fund	1,499	-	1,499	-
8th Grade Football Fund	-	902	902	-
Magazine Fundraiser	-	9,014	9,014	-
Sport's Cup Fundraiser/Scholastic Fund	-	499	499	-
Wrestling Club	167	416	583	-
8th Grade Team Activities	777	101	878	-
7th Grade Team Activities	1,806	1,600	1,794	1,612
6th Grade Team Activities	1,043	513	1,184	372
Scholastic Book Fair	-	1,239	1,239	-
Concessions	-	5,132	5,132	-
8th Grade Volleyball	-	325	65	260
8th Grade Worlds of Fun	-	7,390	5,999	1,391
Total West Middle School Activity Funds	20,819	71,175	68,496	23,498
Total Middle School Activity Funds	71,912	218,180	218,421	71,671
<b>HIGH SCHOOLS</b>				
Lawrence High School				
Alliance for Social Awareness	122	-	-	122
American Indian Club	14	5,537	4,975	576
Amnesty International Club	29	-	-	29
Auto/Power Mech Club	1,246	-	681	565
Aviation Club	108	-	-	108
Bike Club	51	-	-	51
Biology Club	105	-	-	105
Black American Club	160	-	-	160
FBLA/Business Professionals	44	-	-	44
Chess Club	71	-	71	-
Class of 2011	2,996	-	2,996	-
Class of 2012	595	-	595	-
Class of 2013	307	-	307	-
Computer Club	91	-	-	91
Disc Golf Club	29	-	-	29
DECA Lion's Den Merchandise	189	-	189	-
DECA Club	578	4,408	4,986	-
DECA Chesty's Brew	279	121	-	400
Environmental/Recycle Club	413	-	55	358
Ewertmania	22	-	-	22
FCCLA	523	957	1,201	279
Fellowship of Christian Athletes	19	-	-	19
French Club	366	-	127	239
Future Farmers of America	87	1,383	842	628
Game Club	193	-	-	193
Gay & Straight Alliance	-	152	100	52
Geography Club	115	-	-	115
German Club	625	-	-	625
Graffiti Magazine	48	-	-	48
GCTL/FYI	1,380	3,405	3,663	1,122
Habitat for Humanity Club	-	1,856	682	1,174
International Club	1,476	134	222	1,388
Jewelry Shop	952	-	-	952
Key Club	437	-	-	437
Latin Club	758	3,832	2,613	1,977
Latin Club - Courtyard	3	500	-	503
Media Club	289	-	-	289
My Little Pony Club	-	25	-	25
National Art Honor Society	47	-	-	47
National Honor Society	2,030	495	981	1,544
Subtotals to Schedule 4, page 4 of 5	16,797	22,805	25,286	14,316

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2014

<u>FUNDS</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
HIGH SCHOOLS (Continued)				
Lawrence High School				
Subtotals from Schedule 4, page 3 of 5	\$ 16,797	\$ 22,805	\$ 25,286	\$ 14,316
Outdoor Leadership Experience	2	-	-	2
Ski Club	25	-	-	25
Spanish Club	7	-	-	7
Student Council	4,945	19,712	22,687	1,970
Table Tennis Club	40	-	-	40
Teachers of Tomorrow	74	-	-	74
Theater Drama Club	1,310	-	-	1,310
VICA/COT	2,808	-	-	2,808
Writers Club	1	-	-	1
Y.E.K.	1	-	-	1
Young Democrats	63	-	-	63
Youth in Local Government	137	-	-	137
Intramurals	-	6,007	6,007	-
After Prom	-	3,332	3,332	-
Cap N Gown	-	11,909	11,909	-
C.P. Engineering Competition	-	740	740	-
Culinary	-	185	185	-
Hip Hop/Step	-	66	66	-
Breakfast By Gentleman	-	48	48	-
Diplomas, Past Years	-	60	60	-
Directed Studies	-	77	77	-
Film Festival/Showtime	-	2,415	2,415	-
F&CS Interior Design Proj.	-	30	30	-
French IV Trip	-	2	2	-
Lawrence Youth Symphony	-	2,890	2,890	-
Link Crew	-	1,115	1,115	-
Model UN	-	2,812	2,812	-
Music Student Accounts	-	80,971	80,971	-
Paws for Pals/Can We Talk	-	2,803	2,803	-
Robotics	-	1,736	1,736	-
Gala	-	9,280	9,280	-
At Risk	-	500	500	-
Welding Projects	-	477	477	-
Woodshop Projects	-	1,221	1,221	-
Baseball Program	-	31,414	31,414	-
Softball Program	-	9,333	9,333	-
Boys Basketball Program	-	3,019	3,019	-
Girls Basketball Program	-	8,998	8,998	-
Volleyball Program	-	12,853	12,853	-
Cross Country Program	-	2,612	2,612	-
Tennis Program	-	1,674	1,674	-
Girls Soccer Program	-	4,898	4,898	-
Boys Soccer Program	-	13,358	13,358	-
Leadership Symposium	-	387	387	-
Total Lawrence High Activity Funds	26,210	259,739	265,195	20,754
Free State High School				
Advanced Placement/Knowledge Master	1,000	-	-	1,000
Anime	136	-	-	136
Badminton Club	4	-	-	4
Bike Club	42	-	-	42
Book Club	140	-	-	140
Business Professionals	470	1,519	1,907	82
Chess Club	96	1,280	580	796
Class of 2001	500	-	-	500
Class of 2004	500	-	-	500
Class of 2005	500	-	-	500
Class of 2006	500	-	-	500
Class of 2007	500	-	-	500
Class of 2008	500	-	-	500
Class of 2009	500	-	-	500
Class of 2010	5,716	-	5,217	499
Class of 2012	1,476	-	976	500
Class of 2013	845	30	375	500
Class of 2014	103	-	-	103
Class of 2015	168	-	-	168
Computer Club	344	-	-	344
Diversity Club	57	151	190	18
Environmental Club	101	46	78	69
Family Career & Community Leaders of America	659	3,334	3,993	-
Fellowship of Christian Athletes	-	424	160	264
Film Club/Firebird Productions	6,745	1,489	1,047	7,187
Free State Yoga Club	49	194	220	23
French Club	198	-	-	198
Future Farmers of America	2,969	9,085	10,358	1,696
GCTL/FYI	1,359	3,685	4,574	470
Geography Club	-	34,425	33,833	592
Hype Inc.	168	-	-	168
Key Club	673	1,144	987	830
Subtotals to Schedule 4, page 5 of 5	27,018	56,806	64,495	19,329

UNIFIED SCHOOL DISTRICT NO. 497  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended June 30, 2014

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
<b>FUNDS</b>				
HIGH SCHOOLS (Continued)				
Free State High School				
Subtotals from Schedule 4, page 4 of 5	\$ 27,018	\$ 56,806	\$ 64,495	\$ 19,329
Math Team	259	-	50	209
National Honor Society	2,183	9,792	8,255	3,720
Native American Club	167	658	622	203
Philosophy Club	17	-	-	17
Pre-Med Club	-	234	134	100
Random Acts of Kindness	-	250	-	250
Science Olympiad	155	2,037	1,830	362
Spanish Club	6	-	-	6
Student Council	12,146	20,263	17,826	14,583
Sweater Club	34	-	-	34
Thespians	818	1,657	2,018	457
Tolkien Club	316	1,234	1,151	399
VICA/CIT	2,120	2,757	2,860	2,017
Writers Club	486	29	-	515
Young Democrats Club	97	-	-	97
Baseball Account	18,044	17,938	22,436	13,546
Cap & Gown Rental	-	11,007	11,007	-
Camera Rental & Repair	2,123	220	474	1,869
Model UN	89	18,469	18,483	75
Free State Football	8,112	21,015	21,216	7,911
Free State Boys Soccer	1,589	16,771	18,360	-
Firebird Fund	89	3,248	2,645	692
Engineering Club - Special Projects	396	997	695	698
Free State Girls Soccer	65	20,644	20,336	373
Free State Girls Basketball	2,382	5,701	5,947	2,136
Parking Fines	4,218	2,896	4,325	2,789
Free State Boys Basketball	1,362	3,837	3,877	1,322
Student Planners	2,524	55	-	2,579
Free State Cross Country/Track	3,521	53,220	54,732	2,009
Special Education	7	727	663	71
Free State Boys Tennis	57	658	665	50
Free State Girls Tennis	411	237	390	258
Kelly Petry - Firebird Brick Fund	200	-	-	200
Golf	540	2,424	1,618	1,346
Girls Golf	243	739	376	606
Battle of the Bands	773	-	-	773
Grounds Beautification	610	-	-	610
Green & Silver	1,013	1,050	1,092	971
LINK	987	1,335	1,197	1,125
Autism	-	302	288	14
Freddie's Friends	43	-	-	43
SLEIPS	436	13,838	12,876	1,398
Free State Football (Additional)	1,074	-	1,000	74
Free State Softball	12,349	12,517	6,083	18,783
Testing Fund	10,634	39,121	43,081	6,674
Jewelry/Metal	1,142	401	23	1,520
Band Program (Additional)	6,161	111,281	113,452	3,990
Baseball (Additional)	1,769	-	-	1,769
Gay/Straight Alliance	111	-	-	111
Welding/Industrial Technology	56	-	-	56
Work Books	-	4,285	4,285	-
Free State Wrestling	255	3,977	3,471	761
Cartridge Recyclers	253	-	-	253
Volleyball	2,754	5,114	3,621	4,247
Winter Game Intramurals	314	1,370	1,614	70
Winter Classic Program	-	3,214	3,214	-
Firebird Pride	467	-	-	467
The Early Bird	363	655	679	339
Renaissance Committee	312	1,808	1,334	786
Bowling	1,214	2,479	1,539	2,154
Photo Enrichment	570	-	-	570
Girls Swim/Dive	1,550	7,793	8,099	1,244
Boys Swim/Dive	1,486	6,735	6,284	1,937
River City Baseball	400	15,429	8,170	7,659
CORE/DUB Club	400	-	-	400
Total Free State High Activity Funds	139,290	509,224	508,888	139,626
Total High School Activity Funds	165,500	768,963	774,083	160,380
Total Student Activity Funds	241,425	1,017,888	1,023,650	235,663
<b>OTHER AGENCY FUNDS</b>				
Sales Tax Fund	11,945	50,091	46,535	15,501
Health Reimbursement Account Fund	96,687	12	25	96,674
School and District Accounts	12,388	333,270	335,150	10,508
Payroll Clearing Fund	[1,790,266]	84,265,108	84,844,021	[2,369,179]
Concessions Fund	367	3,413	284	3,496
Total Other Agency Funds	[1,668,879]	84,651,894	85,226,015	[2,243,000]
Total Agency Funds	\$ [1,427,454]	\$ 85,669,782	\$ 86,249,665	\$ [2,007,337]

## SCHEDULE 5

UNIFIED SCHOOL DISTRICT NO. 497  
District Activity Funds  
Schedule of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended June 30, 2014

<u>FUNDS</u>	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Lawrence High School							
Activity Tickets and Other	\$ -	\$ -	\$ 36,380	\$ 36,380	\$ -	\$ -	\$ -
Athletics	-	-	113,890	113,890	-	-	-
Band	-	-	17,705	17,705	-	-	-
Theater/Showtime	-	-	30,973	30,973	-	-	-
Free State High School							
Activity Tickets and Other	-	-	31,901	31,901	-	-	-
Athletics	-	-	145,555	145,555	-	-	-
Band	-	-	91,404	91,404	-	-	-
Encore	-	-	47,817	47,817	-	-	-
Vocal	-	-	147,369	147,219	150	-	150
Central Middle School							
Gate Receipts	-	-	6,279	6,279	-	-	-
South Middle School							
Gate Receipts	-	-	9,726	9,726	-	-	-
Southwest Middle School							
Gate Receipts	-	-	11,506	11,506	-	-	-
West Middle School							
Gate Receipts	-	-	6,919	4,040	2,879	-	2,879
Total District Activity Funds	\$ -	\$ -	\$ 697,424	\$ 694,395	\$ 3,029	\$ -	\$ 3,029

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Restated Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
<u>U.S. Department of Interior</u>					
Indian Education Assistance to Schools	15.130	\$ [20,029]	\$ 174,425	\$ 150,401	\$ 3,995
Total Direct U.S. Department of Interior		[20,029]	174,425	150,401	3,995
<u>U.S. Department of Education</u>					
Passed Through Kansas State Department of Education					
Title I Grants to Local Educational Agencies	84.010	[4,704]	1,501,893	1,373,863	123,326
Special Education Grants to States	84.027	-	2,214,274	2,214,274	-
Special Education Discretionary	84.027	-	79,744	79,744	-
Vocational Education Basic Grants to States	84.048	481	79,193	78,545	1,129
Special Education Preschool Grants	84.173	-	61,915	61,915	-
English Language Acquisition Grants	84.365	[31,978]	99,577	47,719	19,880
Improving Teacher Quality State Grants	84.367	64,194	406,645	493,769	[22,930]
Total Direct or Passed Through Kansas State Department of Education		27,993	4,443,241	4,349,829	121,405
<u>U.S. Department of Health and Human Services</u>					
Passed Through Kansas State Department of Education					
Youth Risk Behavior Survey	93.938	-	320	320	-
Total U.S. Department of Health and Human Services Passed Through Kansas Department of Education		-	320	320	-
<u>U.S. Department of Agriculture</u>					
Passed Through Kansas State Department of Education					
School Breakfast Program	10.553	-	459,284	459,284	-
National School Lunch Program	10.555	-	2,111,788	2,111,788	-
Summer Food Service Program for Children	10.559	-	131,494	131,494	-
Team Nutrition Training Grant	10.574	-	540	540	-
Food Backpacks	10.579	-	43,660	43,660	-
Total U.S. Department of Agriculture Passed Through Kansas Department of Education		-	2,746,766	2,746,766	-
Total		\$ 7,964	\$ 7,364,752	\$ 7,247,316	\$ 125,400

The accompanying notes are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 497  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2014

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the expenditures of all federal financial assistance programs of Unified School District No. 497. All expenditures of federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances.

UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified (Regulatory Basis)  
Adverse (GAAP)

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_ Yes X No

Significant deficiency (ies) identified that are not  
considered to be material weaknesses? \_\_\_ Yes X None reported

Noncompliance material to financial statements noted? \_\_\_ Yes X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? \_\_\_ Yes X No

Significant deficiency (ies) identified that are not  
considered to be material weaknesses? \_\_\_ Yes X None reported

Type of auditor's report issued on compliance for major programs: Unmodified

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

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

84.027, 84.173  
84.010

Title VI-B - Special Education Cluster  
Title I

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

Auditee qualified as low-risk auditee? X Yes \_\_\_ No



UNIFIED SCHOOL DISTRICT NO. 497  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2014

Section II - Financial Statement Findings

None Noted

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

<u>Program</u>	<u>Finding</u>	<u>Conditions</u>	<u>Criteria</u>	<u>Questioned Costs</u>	<u>Recommendation</u>	<u>Management Response</u>
Title VI-B - Special Education Cluster	2014-1	Personnel costs not supported by required documentation in two instances out of a sample of twenty-five selected for the audit.	OMB Circular A-87 Attachment B	Not determined	Adopt policy and procedures to comply with the federal time keeping rules	Agrees

Prior Year Findings

None Noted



**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 No. 497  
Lawrence, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statements of the Unified School District No. 497, (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated November 13, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, 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 statements, 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 controls 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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.

[www.mizehouser.com](http://www.mizehouser.com) ■ [mhco@mizehouser.com](mailto: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

211 E Eighth Suite A ■ Lawrence, KS 66044-2771 ■ 785.842.8844 p ■ 785.842.9049 f

#### Compliance and Other Matters

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

However, we noted certain other matters that we reported to management of the District in a separate letter dated November 13, 2014.

#### 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.

*Mike Houser: Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS



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

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

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of the Unified School District No. 497, (the District) with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal financial 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 its 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the Kansas Municipal Audit and Accounting Guide. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the District's compliance.

**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, 2014.

#### Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2014-1. Our opinion on each major federal program is not modified with respect to these matters.

The District's response to the noncompliance findings identified in our audit 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 compliance and, accordingly, we express no opinion on the responses.

#### Report on Internal Control Over Compliance

Management of the District 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 each major federal program in order to determine the 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 the 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.

*Mike Houser: Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

**Unified School District No. 497**

**Langston Hughes Elementary**

**Lawrence, Kansas**

**Financial Statements**

**For the Year Ended June 30, 2014**

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, 2014 of the Langston Hughes Elementary 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 about whether the accompanying statements are in accordance with the Kansas regulatory basis of accounting.

The management of the Unified School District No. 497 is responsible for the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements in accordance with the Kansas regulatory basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements.

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 regulatory 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 Langston Hughes Elementary 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.

*Mize & Houser Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

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 Langston Hughes Elementary School Activity Funds for the year ended June 30, 2014, and determining compliance with certain Kansas statutes. The District's management is responsible for the subject matter of this engagement. This agreed-upon procedures engagement was conducted 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 and findings are 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, 2014, these fees could be paid, waived or unpaid. Of the sixty students that we selected, two had unpaid fees as of June 30, 2014, related to the current year. The total of estimated unpaid fees at June 30, 2014 for Langston Hughes Elementary School was \$1,276. No discrepancies were noted.

We recommend continuous monitoring of cash receipting procedures 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 all cash disbursements processed by the school during the fiscal year, we traced the disbursements from the records to the related invoice, the bank statement and canceled check and reviewed the propriety of the disbursements. The only discrepancies noted was that there was not supporting detail for field trip refunds. We recommend that a copy of the original registration be attached to the documents relating to the disbursement. It was also noted that only one authorized signer was signing disbursement checks. We recommend the school district enforce its policy requiring all checks to include the signature of two authorized signers.

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.



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 20 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, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. 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 is not intended to be and should not be used by anyone other than those specified parties.

*Mike Houser: Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

UNIFIED SCHOOL DISTRICT NO. 497  
 Langston Hughes Elementary School  
 Activity Funds  
 Statement of Cash Receipts and Cash Disbursements  
 For the Year Ended June 30, 2014

	Cash Balance <u>July 1, 2013</u>	Cash Receipts	Cash Disbursements	Cash Balance <u>June 30, 2014</u>
<u>District Activity Funds</u>				
Field Trips	\$ -	\$ 5,878	\$ 5,878	\$ -
Library Account	-	105	105	-
Recorder Fund	-	203	203	-
Total District Activity Funds	-	6,186	6,186	-
<u>Fees Funds</u>				
Textbook Rental	-	10	10	-
Instructional Materials / Site	-	14,127	14,127	-
Transportation Fees / District	-	2,663	2,663	-
Instructional Materials / District	-	3,007	3,007	-
Total Fees and User Charges	-	19,807	19,807	-
<u>Revolving Accounts</u>				
Petty Cash	99	97	53	143
Clearing Account	-	2,890	2,890	-
Sales Tax	-	153	153	-
Total Revolving Accounts	99	3,140	3,096	143
<u>Special Projects</u>				
Beverage Fund	-	629	629	-
Pencil Machine	-	926	926	-
Total Special Projects	-	1,555	1,555	-
Totals	\$ 99	\$ 30,688	\$ 30,644	\$ 143

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

**Unified School District No. 497**

**Southwest Middle School**

**Lawrence, Kansas**

**Financial Statements**

**For the Year Ended June 30, 2014**

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, 2014 of the Southwest 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 about whether the accompanying statements are in accordance with the Kansas regulatory basis of accounting.

The management of the Unified School District No. 497 is responsible for the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements in accordance with the Kansas regulatory basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements.

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 regulatory 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 Southwest 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.

*Mize & Houser Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

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 Southwest Middle School Activity Funds for the year ended June 30, 2014, and determining compliance with certain Kansas statutes. The District's management is responsible for the subject matter of this engagement. This agreed-upon procedures engagement was conducted 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 and findings are 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, 2014, these fees could be paid, waived or unpaid. Of the sixty students that we selected, none had unpaid fees as of June 30, 2014 related to the current school year. The total unpaid fees at June 30, 2014 for Southwest Middle School was \$10,319.22. 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. Of the sixty disbursements tested, all appeared to be within the controls established for disbursements.

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.

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 20 percent were found.

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

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. 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 is not intended to be and should not be used by anyone other than those specified parties.

*Mike Houser: Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

UNIFIED SCHOOL DISTRICT NO. 497  
 Southwest Middle School  
 Activity Funds  
 Statement of Cash Receipts and Cash Disbursements  
 For the Year Ended June 30, 2014

	Cash Balance <u>July 1, 2013</u>	Cash Receipts	Cash Disbursements	Cash Balance <u>June 30, 2014</u>
<u>Student Activity Funds</u>				
Student Council	\$ 7,909	\$ 16,886	\$ 16,079	\$ 8,716
Stuco-Bulldog Help	602	-	410	192
Chess Club	1,675	-	-	1,675
Math Club	289	130	-	419
Garden Fund	2,104	4,518	4,674	1,948
Future City Group	1,591	1,250	2,500	341
International Club	131	-	52	79
	<u>14,301</u>	<u>22,784</u>	<u>23,715</u>	<u>13,370</u>
Total Student Activity Funds				
<u>District Activity Funds</u>				
Athletics	-	7,190	7,190	-
Boys Basketball	-	15	15	-
Track	-	2,959	2,959	-
Wrestling	-	23	23	-
Tennis	-	1,319	1,319	-
Cheerleaders	-	2,037	2,037	-
Volleyball/Girls BB	-	782	782	-
Game Shirts/Athletic Programs	-	1,452	1,452	-
BelCanto	-	13,257	13,257	-
Yearbook	-	18,914	18,914	-
6th Grade Activities	-	3,649	3,649	-
Seventh Grade Activities	-	1,993	1,993	-
Drama	-	9,495	9,495	-
Eighth Grade Activities	-	4,051	4,051	-
Enrichment	-	2,683	2,683	-
ER	-	1,879	1,879	-
Newspaper	-	22	22	-
SPED project	-	43	43	-
SW Business Partners	-	2,710	2,710	-
Band	-	2,763	2,763	-
Orchestra	-	1,087	1,087	-
T-shirt	-	1	1	-
Student Assistance	-	51	51	-
Library Book Fair/fines	-	1,987	1,987	-
Global Studies	-	829	829	-
ID Supplies	-	3,109	3,109	-
	<u>-</u>	<u>84,300</u>	<u>84,300</u>	<u>-</u>
Total District Activity Funds				

UNIFIED SCHOOL DISTRICT NO. 497  
 Southwest Middle School  
 Activity Funds  
 Statement of Cash Receipts and Cash Disbursements  
 For the Year Ended June 30, 2014

	Cash Balance <u>July 1, 2013</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Cash Balance <u>June 30, 2014</u>
<u>Fee Funds</u>				
Student Fees (BMT)	\$ -	\$ 50,989	\$ 50,989	\$ -
Textbook	-	19	19	-
Activity Trip/Transportation	-	5,281	5,281	-
Instrument Maintenance	-	2,538	2,538	-
Co-Curricular	-	4,045	4,045	-
Overpayment	-	44	44	-
Participation-2	-	9,300	9,300	-
	<u>-</u>	<u>72,216</u>	<u>72,216</u>	<u>-</u>
Total Fee Funds	-	72,216	72,216	-
<u>Revolving Accounts</u>				
Petty Cash	-	414	414	-
Clearing Account	-	105	105	-
Sales Tax	-	5,073	5,073	-
	<u>-</u>	<u>5,592</u>	<u>5,592</u>	<u>-</u>
Total Revolving Accounts	-	5,592	5,592	-
<u>Special Projects Funds</u>				
Trivia Night	-	1,319	1,319	-
	<u>-</u>	<u>1,319</u>	<u>1,319</u>	<u>-</u>
Total Trust Funds	-	1,319	1,319	-
Totals	<u>\$ 14,301</u>	<u>\$ 186,211</u>	<u>\$ 187,142</u>	<u>\$ 13,370</u>



**Unified School District No. 497**  
**Lawrence Free State High School**  
**Lawrence, Kansas**  
**Financial Statements**  
**For the Year Ended June 30, 2014**

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, 2014 of the Free State High 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 about whether the accompanying statements are in accordance with the Kansas regulatory basis of accounting.

The management of the Unified School District No. 497 is responsible for the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements in accordance with the Kansas regulatory basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements.

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 regulatory 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 Free State High 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.

*Mize & Houser: Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

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 Lawrence Free State High School Activity Funds for the year ended June 30, 2014, and determining compliance with certain Kansas statutes. The District's management is responsible for the subject matter of this engagement. This agreed-upon procedures engagement was conducted 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 and findings are 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, 2014, these fees could be paid, waived or unpaid. Of the sixty students that we selected, three had unpaid fees as of June 30, 2014, related to the current school year. The total of unpaid fees at June 30, 2014, for Lawrence Free State High School was \$54,689. No discrepancies were noted.

We recommend continuous monitoring of cash receipting procedures 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 cancelled check and reviewed the propriety of the disbursements. Of the sixty disbursements selected, we noted six disbursements for which there was not sufficient backup documentation for the amount.

We recommend that disbursements for travelling sports teams have an invoice or registration form with the amount of entry, that acknowledgement of payment forms be completed by all referees, and that all trip refunds include the original registration.

It was also noted that not all purchase orders were dated by the submitting teacher/sponsor. We recommend that all purchase orders be dated on the day the amount of the purchase is known.

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. However, we recommend that the school review its listing of outstanding checks and void those which are no longer expected to be cashed.

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 20 percent were found.

6. Compliance with Kansas Statutes. We performed procedures, including those discussed above, to determine compliance with certain Kansas statutes. A negative cash balance at June 30, 2014 in the DECA Fund violates KSA 10-1113.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. 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 is not intended to be and should not be used by anyone other than those specified parties.

*Mike Houser: Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

LAWRENCE SCHOOL DISTRICT NO. 497  
Lawrence Free State High School  
Activity Funds  
Statement of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2014

	Cash Balances July 1, 2013	Cash Receipts	Cash Disbursements	Cash Balances June 30, 2014
<u>Student Organizations</u>				
Advanced Placement/Knowledge Master	\$ 1,000	\$ -	\$ -	\$ 1,000
Anime	136	-	-	136
Badminton Club	4	-	-	4
Bike Club	42	-	-	42
Book Club	140	-	-	140
Business Professionals	470	1,519	1,907	82
Chess Club	96	1,280	580	796
Class of 2001	500	-	-	500
Class of 2004	500	-	-	500
Class of 2005	500	-	-	500
Class of 2006	500	-	-	500
Class of 2007	500	-	-	500
Class of 2008	500	-	-	500
Class of 2009	500	-	-	500
Class of 2010	5,716	-	5,217	499
Class of 2012	1,476	-	976	500
Class of 2013	845	30	375	500
Class of 2014	103	-	-	103
Class of 2015	168	-	-	168
Computer Club	344	-	-	344
Diversity Club	57	151	190	18
Environmental Club	101	46	78	69
Family Career & Community Leaders of America	659	3,334	3,993	-
Fellowship of Christian Athletes	-	424	160	264
Film Club/Firebird Productions	6,745	1,489	1,047	7,187
Free State Yoga Club	49	194	220	23
French Club	198	-	-	198
Future Farmers of America	2,969	9,085	10,358	1,696
GCTL/FYI	1,359	3,685	4,574	470
Geography Club	-	34,425	33,833	592
Hype Inc.	168	-	-	168
Key Club	673	1,144	987	830
Math Team	259	-	50	209
National Honor Society	2,183	9,792	8,255	3,720
Native American Club	167	658	622	203
Philosophy Club	17	-	-	17
Pre-Med Club	-	234	134	100
Random Acts of Kindness	-	250	-	250
Science Olympiad	155	2,037	1,830	362
Spanish Club	6	-	-	6
Student Council	12,146	20,263	17,826	14,583
Sweater Club	34	-	-	34
Thespians	818	1,657	2,018	457
Tolkien Club	316	1,234	1,151	399
VICA/CIT	2,120	2,757	2,860	2,017
Writers Club	486	29	-	515
Young Democrats Club	97	-	-	97
Total Student Organizations	45,822	95,717	99,241	42,298

LAWRENCE SCHOOL DISTRICT NO. 497  
Lawrence Free State High School  
Activity Funds  
Statement of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2014

	Cash Balances July 1, 2013	Cash Receipts	Cash Disbursements	Cash Balances June 30, 2014
<u>Special Projects</u>				
Baseball Account	\$ 18,044	\$ 17,938	\$ 22,436	\$ 13,546
Cap & Gown Rental	-	11,007	11,007	-
Camera Rental & Repair	2,123	220	474	1,869
Model UN	89	18,469	18,483	75
Free State Football	8,112	21,015	21,216	7,911
Free State Boys Soccer	1,589	16,771	18,360	-
Firebird Fund	89	3,248	2,645	692
Engineering Club - Special Projects	396	997	695	698
Free State Girls Soccer	65	20,644	20,336	373
Free State Girls Basketball	2,382	5,701	5,947	2,136
Parking Fines	4,218	2,896	4,325	2,789
Free State Boys Basketball	1,362	3,837	3,877	1,322
Student Planners	2,524	55	-	2,579
Free State Cross Country/Track	3,521	53,220	54,732	2,009
Special Education	7	727	663	71
Free State Boys Tennis	57	658	665	50
Free State Girls Tennis	411	237	390	258
Kelly Petry - Firebird Brick Fund	200	-	-	200
Golf	540	2,424	1,618	1,346
Girls Golf	243	739	376	606
Battle of the Bands	773	-	-	773
Grounds Beautification	610	-	-	610
Green & Silver	1,013	1,050	1,092	971
LINK	987	1,335	1,197	1,125
Autism	-	302	288	14
Freddie's Friends	43	-	-	43
SLEIPS	436	13,838	12,876	1,398
Free State Football (Additional)	1,074	-	1,000	74
Free State Softball	12,349	12,517	6,083	18,783
Testing Fund	10,634	39,121	43,081	6,674
Jewelry/Metal	1,142	401	23	1,520
Band Program (Additional)	6,161	111,281	113,452	3,990
Baseball (Additional)	1,769	-	-	1,769
Gay/Straight Alliance	111	-	-	111
Welding/Industrial Technology	56	-	-	56
Work Books	-	4,285	4,285	-
Free State Wrestling	255	3,977	3,471	761
Cartridge Recyclers	253	-	-	253
Volleyball	2,754	5,114	3,621	4,247
Winter Game Intramurals	314	1,370	1,614	70
Winter Classic Program	-	3,214	3,214	-
Firebird Pride	467	-	-	467
The Early Bird	363	655	679	339
Renaissance Committee	312	1,808	1,334	786
Bowling	1,214	2,479	1,539	2,154
Photo Enrichment	570	-	-	570
Girls Swim/Dive	1,550	7,793	8,099	1,244
Boys Swim/Dive	1,486	6,735	6,284	1,937
River City Baseball	400	15,429	8,170	7,659
CORE/DUB Club	400	-	-	400
Total Special Projects	93,468	413,507	409,647	97,328

LAWRENCE SCHOOL DISTRICT NO. 497  
Lawrence Free State High School  
Activity Funds  
Statement of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2014

	Cash Balances <u>July 1, 2013</u>	Cash Receipts	Cash Disbursements	Cash Balances <u>June 30, 2014</u>
<u>District Activity Funds</u>				
Activity Tickets	\$ -	\$ 31,901	\$ 31,901	\$ -
Athletics-Gate Receipts	-	145,555	145,555	-
Band	-	91,404	91,404	-
Vocal	-	147,369	147,219	150
Orchestra	-	14,561	14,561	-
CCM NSF Rebate	-	110	100	10
Cheerleaders	-	40,783	40,783	-
Coca Cola Commissions	-	6,143	6,143	-
Debate	-	2,458	2,458	-
DECA	-	24,115	24,310	[195]
Theater	-	18,765	18,765	-
Forensics	-	1,676	1,676	-
Free State Enhancement	-	3,166	3,166	-
Media/Field Trip	-	15,363	15,363	-
Newspaper-Free Press	-	7,828	7,828	-
Parking Permits	-	14,289	14,289	-
Yearbook	-	74,979	74,979	-
Scholars Bowl	-	1,735	1,735	-
Encore Gate Receipts	-	47,817	47,817	-
Color Guard	-	458	458	-
Officials	-	41,472	41,472	-
Total District Activity Funds	-	731,947	731,982	[35]
<u>Fee Funds</u>				
Lost Text Books/Fines	-	3,300	3,300	-
Instrumental Rental Fee	-	2,820	2,820	-
Miscellaneous Fines/Fees	-	546	546	-
Participation Fee-Sport	-	25,767	25,767	-
Co-Curricular Fee	-	11,539	11,539	-
Student Fees	-	115,475	115,475	-
Activity Trip Transportation	-	12,073	12,073	-
Course Fees	-	19,804	19,804	-
Library Fines & Fees	-	637	637	-
Total Fee Funds	-	191,961	191,961	-
<u>Revolving Accounts</u>				
Petty Cash	323	558	374	507
Clearing Account	-	5,883	5,882	1
Sales Tax	-	34,655	34,655	-
Total Revolving Accounts	323	41,096	40,911	508
Total Activity Funds	\$ 139,613	\$ 1,474,228	\$ 1,473,742	\$ 140,099

**Unified School District No. 497**

**Lawrence High School**

**Lawrence, Kansas**

**Financial Statements**

**For the Year Ended June 30, 2014**



INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

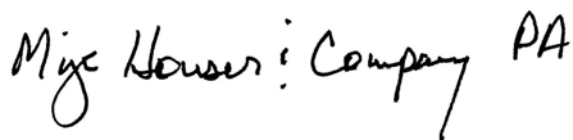
We have compiled the accompanying Statement of Cash Receipts and Cash Disbursements for the year ended June 30, 2014 of the Lawrence High School Activity Funds. We have not audited or reviewed the accompanying Statement of Cash Receipts and Cash Disbursements and, accordingly, do not express an opinion or provide any assurance about whether the accompanying statements are in accordance with the Kansas regulatory basis of accounting.

The management of the Unified School District No. 497 is responsible for the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements in accordance with the Kansas regulatory basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Statement of Cash Receipts and Cash Disbursements.

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 regulatory 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 Lawrence High 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.



Certified Public Accountants

November 13, 2014  
Lawrence, KS

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 Lawrence High School Activity Funds for the year ended June 30, 2014, and determining compliance with certain Kansas statutes. The District's management is responsible for the subject matter of this engagement. This agreed-upon procedures engagement was conducted 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 and findings are 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, 2014, these fees could be paid, waived or unpaid. Of the sixty students that we selected, four had unpaid fees as of June 30, 2014 related to the current school year. The total of unpaid fees at June 30, 2014, for Lawrence High School was \$184,249. No discrepancies were noted.

We recommend continuous monitoring of cash receipting procedures at the High 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. However, we noted the existence of a trust account. Additionally, we recommend that the school review its listing of outstanding checks and void those which are no longer expected to be cashed.

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 20 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, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. 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 is not intended to be and should not be used by anyone other than those specified parties.

*Mike Houser: Company PA*

Certified Public Accountants

November 13, 2014  
Lawrence, KS

LAWRENCE SCHOOL DISTRICT NO. 497  
Lawrence High School  
Activity Funds  
Statement of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2014

	Cash Balances <u>July 1, 2013</u>	Cash Receipts	Cash Disbursements	Cash Balances <u>June 30, 2014</u>
<u>Student Organizations</u>				
Alliance for Social Awareness	\$ 122	\$ -	\$ -	\$ 122
American Indian Club	14	5,537	4,975	576
Amnesty International Club	29	-	-	29
Auto/Power Mech Club	1,246	-	681	565
Aviation Club	108	-	-	108
Bike Club	51	-	-	51
Biology Club	105	-	-	105
Black American Club	160	-	-	160
FBLA/Business Professionals	44	-	-	44
Chess Club	71	-	71	-
Class of 2011	2,996	-	2,996	-
Class of 2012	595	-	595	-
Class of 2013	307	-	307	-
Computer Club	91	-	-	91
Disc Golf Club	29	-	-	29
DECA Lion's Den Merchandise	189	-	189	-
DECA Club	578	4,408	4,986	-
DECA Chesty's Brew	279	121	-	400
Environmental/Recycle Club	413	-	55	358
Ewertmania	22	-	-	22
FCCLA	523	957	1,201	279
Fellowship of Christian Athletes	19	-	-	19
French Club	366	-	127	239
Future Farmers of America	87	1,383	842	628
Game Club	193	-	-	193
Gay & Straight Alliance	-	152	100	52
Geography Club	115	-	-	115
German Club	625	-	-	625
Graffiti Magazine	48	-	-	48
GCTL/FYI	1,380	3,405	3,663	1,122
Habitat for Humanity Club	-	1,856	682	1,174
International Club	1,476	134	222	1,388
Jewelry Shop	952	-	-	952
Key Club	437	-	-	437
Latin Club	758	3,832	2,613	1,977
Latin Club - Courtyard	3	500	-	503
Media Club	289	-	-	289
My Little Pony Club	-	25	-	25
National Art Honor Society	47	-	-	47
National Honor Society	2,030	495	981	1,544
Outdoor Leadership Experience	2	-	-	2
Ski Club	25	-	-	25
Spanish Club	7	-	-	7
Student Council	4,945	19,712	22,687	1,970
Table Tennis Club	40	-	-	40
Teachers of Tomorrow	74	-	-	74
Theater Drama Club	1,310	-	-	1,310
VICA/COT	2,808	-	-	2,808
Writers Club	1	-	-	1
Y.E.K.	1	-	-	1

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

LAWRENCE SCHOOL DISTRICT NO. 497  
 Lawrence High School  
 Activity Funds  
 Statement of Cash Receipts and Cash Disbursements  
 For the Year Ended June 30, 2014

	Cash Balances <u>July 1, 2013</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Cash Balances <u>June 30, 2014</u>
<u>Student Organizations, continued</u>				
Young Democrats	\$ 63	\$ -	\$ -	\$ 63
Youth in Local Government	<u>137</u>	<u>-</u>	<u>-</u>	<u>137</u>
Total Student Organizations	<u>26,210</u>	<u>42,517</u>	<u>47,973</u>	<u>20,754</u>
 <u>District Activity Funds</u>				
Activity Tickets	-	36,380	36,380	-
Athletics-Gate Receipts	-	113,890	113,890	-
Athletics-Posters	-	11,437	11,437	-
Band	-	17,705	17,705	-
Budget Newspaper	-	24,820	24,820	-
Cheerleaders	-	46,856	46,856	-
C-Tran Program	-	396	396	-
IPS	-	1,166	1,166	-
CTE Photo Skills	-	2,680	2,680	-
Debate	-	3,307	3,307	-
Forensics	-	6,155	6,155	-
Orchestra	-	18,673	18,673	-
Red and Black Yearbook - Sales	-	46,009	46,009	-
Red and Black Yearbook - Other	-	23,047	23,047	-
Scholars Bowl	-	915	915	-
Showtime Gate Receipts	-	30,973	30,973	-
Drama Production	-	3,171	3,171	-
Vocal Music	-	10,398	10,398	-
Bowling	-	1,453	1,453	-
Boys Swimming	-	5,383	5,383	-
Girls Swimming	-	6,345	6,345	-
Track	<u>-</u>	<u>5,159</u>	<u>5,159</u>	<u>-</u>
Total District Activity Funds	<u>-</u>	<u>416,318</u>	<u>416,318</u>	<u>-</u>

LAWRENCE SCHOOL DISTRICT NO. 497  
Lawrence High School  
Activity Funds  
Statement of Cash Receipts and Cash Disbursements  
For the Year Ended June 30, 2014

	Cash Balances <u>July 1, 2013</u>	Cash Receipts	Cash Disbursements	Cash Balances <u>June 30, 2014</u>
<u>Special Projects</u>				
Intramurals	\$ -	\$ 6,007	\$ 6,007	\$ -
After Prom	-	3,332	3,332	-
Cap N Gown	-	11,909	11,909	-
C.P. Engineering Competition	-	740	740	-
Culinary	-	185	185	-
Hip Hop/Step	-	66	66	-
Breakfast By Gentleman	-	48	48	-
Diplomas, Past Years	-	60	60	-
Directed Studies	-	77	77	-
Film Festival/Showtime	-	2,415	2,415	-
F&CS Interior Design Proj.	-	30	30	-
French IV Trip	-	2	2	-
Lawrence Youth Symphony	-	2,890	2,890	-
Link Crew	-	1,115	1,115	-
Model UN	-	2,812	2,812	-
Music Student Accounts	-	80,971	80,971	-
Paws for Pals/Can We Talk	-	2,803	2,803	-
Robotics	-	1,736	1,736	-
School District Landscaping	-	2,077	2,077	-
Gala	-	9,280	9,280	-
Heart of a Lion Fund	-	16,869	16,869	-
At Risk	-	500	500	-
Testing	-	37,478	37,478	-
Welding Projects	-	477	477	-
Woodshop Projects	-	1,221	1,221	-
Baseball Program	-	31,414	31,414	-
Softball Program	-	9,333	9,333	-
Boys Basketball Program	-	3,019	3,019	-
Girls Basketball Program	-	8,998	8,998	-
Volleyball Program	-	12,853	12,853	-
Cross Country Program	-	2,612	2,612	-
Tennis Program	-	1,674	1,674	-
Girls Soccer Program	-	4,898	4,898	-
Boys Soccer Program	-	13,358	13,358	-
Leadership Symposium	-	387	387	-
	-	273,646	273,646	-
Total Special Projects	-	273,646	273,646	-

LAWRENCE SCHOOL DISTRICT NO. 497  
 Lawrence High School  
 Activity Funds  
 Statement of Cash Receipts and Cash Disbursements  
 For the Year Ended June 30, 2014

	Cash Balances <u>July 1, 2013</u>	Cash Receipts	Cash Disbursements	Cash Balances <u>June 30, 2014</u>
<u>Fee Funds</u>				
Auto Mechanics	\$ -	\$ 9,516	\$ 9,516	\$ -
Activity Trip Transportation Fee	-	8,206	8,206	-
Participation Fee	-	18,012	18,012	-
Co-Curricular Fee	-	7,775	7,775	-
Instructional Maintenance Fee	-	2,458	2,458	-
Library Books	-	255	255	-
Miscellaneous Fines/Fees	-	592	592	-
Workbooks	-	2,502	2,502	-
Course Fees	-	15,608	15,608	-
Student Fees	-	80,447	80,447	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fee Funds	-	145,371	145,371	-
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Revolving Accounts</u>				
Petty Cash	561	189	-	750
Cash Box	130	-	-	130
Clearing Account	-	1,504	1,504	-
Overpayment	-	839	839	-
Sales Tax	1,937	12,332	14,269	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revolving Accounts	2,628	14,864	16,612	880
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Trust Funds</u>				
Jennifer Trapp Memorial	580	-	-	580
	<hr/>	<hr/>	<hr/>	<hr/>
Total Trust Funds	580	-	-	580
	<hr/>	<hr/>	<hr/>	<hr/>
Total Activity Funds	<u>\$ 29,418</u>	<u>\$ 892,716</u>	<u>\$ 899,920</u>	<u>\$ 22,214</u>

- During our testing of semi-annual time certifications for twenty-five employees paid from Title VI-B federal funds, we noted two employees for whom the District was unable to locate one of the two required time certifications. Additionally, we noted one employee whose semi-annual time certifications were completed with 5 days of each other. We recommend that a semi-annual time certification be signed and dated by the employee or the employee's supervisor once during the first semester and once during the second semester to properly record certification of time recorded to federal programs.

Recommendation:

The administration recommends the Board of Education accept the audit for the fiscal year ending June 30, 2014.

Motion:

"I move the Board of Education accept the audit from Mize Houser & Company P.A. for the fiscal year ending June 30, 2014."



To: Board of Education

From: David Cunningham, director, human resources & legal services, ext. 4937

Re: Funding of Third Year Contract with Gallup Consulting

Date: December 4, 2014

Background:

The board entered into a contract with Gallup Consulting Education Practice to implement its TeacherInsight teacher selection tool. With the adoption of the contract, the board funded the first year of the contract. The district has been using the tool in the teacher selection process and plans to continue with this system to assist in selecting the most qualified teachers. The contract set the year-three cost at \$23,100.

Recommendation:

Staff recommends that the board fund year three of this contract to enable administrators to continue using the TeacherInsight tool to assist in selecting the most qualified teachers.

Motion:

"I move the Board of Education approve the funding of the third year of the Gallup contract at a cost of \$23,100."

To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309  
Tony Barron, director, facilities & operations, ext. 1643  
Darcy Kraus, principal, Sunset Hill, ext. 2561

Re: Proposed Sign & Donation – Sunset Hill

Date: December 4, 2014

Background:

The PTO at Sunset Hill Elementary School has raised money to pay for and donate to Sunset Hill a school sign to be placed on grounds. The estimated cost of this sign is \$5,350. There will be no cost to the district for this purchase.

Attached is a picture of the sign design.

The sign will not be erected until closer to the completion of the school remodel and construction. The location of the sign will be determined by authorized district staff at that time.

Recommendation:

Sunset Hill Elementary School administration asks that the board approve the proposed sign design and allow for its purchase and placement on the school grounds.

Motion:

"I move the Board of Education approve the proposed sign design and accept the related donation from the Sunset Hill Elementary School PTO."



To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309  
Paula Murrish, director, food services & purchasing, ext. 2706

Re: Purchase of Furniture: Casework – New York, Hillcrest, Kennedy

Date: December 4, 2014

Background:

In April, 2013, voters approved a \$92.5 million school bond issue to improve facilities, enhance technology and expand career and technical educational opportunities. The focus of this bond plan was on equipping our teachers and students with tools for 21<sup>st</sup> century teaching and learning.

A significant piece of successfully completing the district's bond construction projects involves furnishing and equipping the educational spaces, including classroom storage space. The district is moving forward with standardizing storage components when possible which will allow for the district to interchange furnishings as needs arise.

At its May 12, 2014 meeting, the Board of Education approved an agreement with Hollis & Miller Architects to provide interior design services and coordinate furnishing and equipping identified schools associated with bond construction projects. Hollis & Miller staff wrote specifications for four different styles of storage units and received bids from nine vendors. The results are as follow:

	<b>Specified</b>	<b>Alternate</b>
BA Designs (BRC)	\$77,676.18	\$77,676.19
<b>Freedom (Lacasse)</b>	<b>\$60,291.12</b>	<b>\$62,412.96</b>
Hicks - Ashby (Fleetwood)	\$117,870.00	\$104,331.20
Hicks – Ashby (TMI)	\$75,076.80	\$75,076.80
Impact Interiors (IQF)	Did not bid	\$136,736.16
<b>Precision Craft (Casework)</b>	<b>\$61,512.00</b>	<b>\$61,512.00</b>
School Specialty (Fleetwood)	\$115,933.20	\$101,7986.88
Scott Rice (Lacasse)	\$72,024.00	\$74,328.00
Spaces (Lacasse)	\$79,931.28	Did not bid
SSI (Marco/ Casework)	Did not bid	\$85,117.68

Recommendation:

Staff recommends board approval of casework bids as specified for New York, Hillcrest and Kennedy Elementary Schools in the amount of \$61,512 and awarding of the contract to Precision Craft Inc. located in Olathe, Kansas, where the casework is manufactured. Board Policy DJEE allows the district to purchase from local vendors when the price, quality and availability are competitive with outside vendors. Freedom Furniture Company bid Lacasse brand casework, which is manufactured in Canada.

Account Code: 0910090000 Capital Outlay Instruction 57330 Furniture and Fixtures

Motion:

"I move the Board of Education approve casework bids for New York, Hillcrest and Kennedy Elementary Schools in the amount of \$61,512 and award the contract to Precision Craft Inc. as specified."

To: Board of Education

From: Jerri Kemble, assistant superintendent, educational programs & technology, ext. 2755  
Melinda Stanley, director, innovation & technology, ext. 4442

Re: Contract for Storage Area Network

Date: December 4, 2014

Background:

Board of Education Goals Supported:

Goal 1: Develop and align district expectations for curriculum and instruction to raise the achievement of all students.

Goal 2: Enhance student wellness by integrating supports and services across the district.

Goal 3: Deliver a differentiated and comprehensive professional development plan to support best practices in instructional methods.

Goal 4: Expand communication and community connections through increased engagement.

Goal 5: Deliver quality programs and services

Goal 6: Create high quality and adaptable district facilities to meet the diverse 21<sup>st</sup> century educational program needs of all students and enhance student achievement.

To support all Board of Education goals and district administration, operations, and instructional services, it is essential to update the district storage area network which provides administrative, instructional and operational data storage for all district technology operations/services.

Rationale:

The district's existing storage area network is aging, undersized and presents a significant failure risk to day-to-day operations. The aging equipment is difficult to maintain, has an extremely high failure rate such that XIO, the existing vendor, is ending support as of February 28, 2015.

Recommendation:

Administration recommends engaging Eagle Software, Inc. to replace the existing XIO Storage Area Network for an amount not to exceed \$280,865.62. Pricing is per approved State of Kansas Contract #10932 AC. The contract is to be paid from Bond Funds under the IT Improvement budget.

Motion:

"I move the Board of Education approve a contract for services with Eagle Software Inc. for an amount not to exceed \$280,865.62, based on State of Kansas Contract #10932 AC."



**EAGLE Software, Inc.**  
 124 Indiana Avenue  
 Salina, KS 67401  
**P:** (785) 823-7257  
**W:** <http://www.eaglesoft.com>

**Lawrence Public School - CML (DR & Production)**

Prepared For:		Quote Information:	
<b>Name:</b>	Melinda Stanley	<b>Quote #:</b>	107554
<b>Company:</b>	Lawrence Public Schools - USD497	<b>Created:</b>	11/25/2014
<b>Address:</b>	110 McDonald Dr. Lawrence, KS 66044	<b>Expires:</b>	12/23/2014
<b>Phone:</b>	7858325000	<b>Rep:</b>	EAGLE Sales
<b>Email:</b>	mstanley@usd497.org	<b>Email:</b>	sales@eaglesoft.com
		<b>Phone:</b>	800-477-5432

Compellent SC4020 + 5YR Support (Production)	Price	Qty	Ext. Price
<b>SC4020 8Gb Fibre Channel - 8ports (6pack drives)</b> SC4020 8Gb Fibre Channel - 8ports (6pack drives)	\$6,897.00	1	\$6,897.00
<b>6-Pack, Dell 1.6TB, SAS, 6Gb, 2.5" RISSD</b> 6-Pack, Dell 1.6TB, SAS, 6Gb, 2.5" RISSD	\$28,728.00	2	\$57,456.00
<b>6pack, Dell 800GB, SAS 6Gb, 2.5 SSD, WI</b> 6pack, Dell 800GB, SAS 6Gb, 2.5 SSD, WI	\$45,486.00	1	\$45,486.00
<b>2TB, SAS, 6Gb, 7.2K HDD</b> 2TB, SAS, 6Gb, 7.2K HDD	\$712.50	48	\$34,200.00
<b>6-Pack, Enclosure Blank, SAS, Drive Bay Blanks, 2.5"</b> 6-Pack, Enclosure Blank, SAS, Drive Bay Blanks, 2.5"	\$34.20	1	\$34.20
<b>Compellent SC200 Enclosure, 3.5" 12-Bay</b> Compellent SC200 Enclosure, 3.5" 12-Bay	\$2,485.20	4	\$9,940.80
<b>6Gb Mini-SAS to Mini-SAS Cable, 0.6M, Qty 2</b> 6Gb Mini-SAS to Mini-SAS Cable, 0.6M, Qty 2	\$87.21	4	\$348.84
<b>C13-C14, PDU, 12AMP, 6.5 FT (2m), Power Cord, Qty2</b> C13-C14, PDU, 12AMP, 6.5 FT (2m), Power Cord, Qty2	\$11.40	4	\$45.60
<b>C13-C14, PDU, 12AMP, 6.5 FT (2m), Power cord, Qty2</b> C13-C14, PDU, 12AMP, 6.5 FT (2m), Power cord, Qty2	\$11.40	1	\$11.40
<b>Ready Rails II Static Rails for 4-post Racks</b> Ready Rails II Static Rails for 4-post Racks	\$57.00	4	\$228.00
<b>SW, Storage Center OS Core Base License</b> SW, Storage Center OS Core Base License	\$0.00	1	\$0.00
<b>SW, Storage Center OS Core, Expansion License</b> SW, Storage Center OS Core, Expansion License	\$2,439.60	1	\$2,439.60



**Lawrence Public School - CML (DR & Production)**

Compellent SC4020 + 5YR Support (Production)	Price	Qty	Ext. Price
<b>SW, Enterprise Manager Chargeback License, Unlimited</b> SW, Enterprise Manager Chargeback License, Unlimited	\$1,254.00	1	\$1,254.00
<b>SW, Performance Bundle Base License</b> SW, Performance Bundle Base License	\$3,420.00	1	\$3,420.00
<b>SW, Performance Bundle Expansion License</b> SW, Performance Bundle Expansion License	\$3,420.00	1	\$3,420.00
<b>SW, Remote Data Protection Bundle Base License</b> SW, Remote Data Protection Bundle Base License	\$2,850.00	1	\$2,850.00
<b>SW, Remote Data Protection Bundle Expansion License</b> SW, Remote Data Protection Bundle Expansion License	\$2,439.60	1	\$2,439.60
<b>Installation and Implementation of a Dell Compellent SC4xxx Storage Array, up to 4 hosts</b> Installation and Implementation of a Dell Compellent SC4xxx Storage Array, up to 4 hosts	\$5,344.39	1	\$5,344.39
<b>Implementation of Dell Compellent Remote Instant Replay, Add-on</b> Implementation of Dell Compellent Remote Instant Replay, Add-on	\$1,720.07	1	\$1,720.07
<b>Support, 24x7, Dell/Compellent Series SC4020</b> Support, 24x7, Dell/Compellent Series SC4020	\$8,165.69	1	\$8,165.69
<b>Support, 24x7, Enclosure, SC200, 3.5" 12-bay</b> Support, 24x7, Enclosure, SC200, 3.5" 12-bay	\$5,942.59	4	\$23,770.36
<b>Support, 24x7, SW, Storage Center OS Core</b> Support, 24x7, SW, Storage Center OS Core	\$3,078.16	1	\$3,078.16
<b>Support, 24x7, SW, Storage Center OS Core, Expansion License</b> Support, 24x7, SW, Storage Center OS Core, Expansion License	\$4,391.69	1	\$4,391.69
<b>Support, 24x7, Enterprise Mgr Chargeback License</b> Support, 24x7, Enterprise Mgr Chargeback License	\$1,523.61	1	\$1,523.61
<b>Support, 24x7, SW, Performance Bundle</b> Support, 24x7, SW, Performance Bundle	\$6,155.85	1	\$6,155.85
<b>Support, 24x7, SW, Performance Bundle Expansion License</b> Support, 24x7, SW, Performance Bundle Expansion License	\$6,156.31	1	\$6,156.31



**EAGLE Software, Inc.**  
 124 Indiana Avenue  
 Salina, KS 67401  
**P:** (785) 823-7257  
**W:** <http://www.eaglesoft.com>

**Lawrence Public School - CML (DR & Production)**

Compellent SC4020 + 5YR Support (Production)	Price	Qty	Ext. Price
<b>Support, 24x7, SW, Remote Data Protection Bundle</b> Support, 24x7, SW, Remote Data Protection Bundle	\$5,129.95	1	\$5,129.95
<b>Support, 24x7, SW, Remote Data Protection Bundle Expansion License</b> Support, 24x7, SW, Remote Data Protection Bundle Expansion License	\$4,391.69	1	\$4,391.69
<b>Customer Discount / Compellent</b> Customer Discount / Compellent	(\$100,798.00 )	1	(\$100,798.00)
<b>Shipping</b> Shipping & Handling	\$932.00	1	\$932.00

**Compellent SC4020 + 5YR Support (Production) Subtotal**

**\$140,432.81**

Compellent SC4020 + 5YR Support (DR)	Price	Qty	Ext. Price
<b>SC4020 8Gb Fibre Channel - 8ports (6pack drives)</b> SC4020 8Gb Fibre Channel - 8ports (6pack drives)	\$6,897.00	1	\$6,897.00
<b>6-Pack, Dell 1.6TB, SAS, 6Gb, 2.5" RISSD</b> 6-Pack, Dell 1.6TB, SAS, 6Gb, 2.5" RISSD	\$28,728.00	2	\$57,456.00
<b>6pack, Dell 800GB, SAS 6Gb, 2.5 SSD, WI</b> 6pack, Dell 800GB, SAS 6Gb, 2.5 SSD, WI	\$45,486.00	1	\$45,486.00
<b>2TB, SAS, 6Gb, 7.2K HDD</b> 2TB, SAS, 6Gb, 7.2K HDD	\$712.50	48	\$34,200.00
<b>6-Pack, Enclosure Blank, SAS, Drive Bay Blanks, 2.5"</b> 6-Pack, Enclosure Blank, SAS, Drive Bay Blanks, 2.5"	\$34.20	1	\$34.20
<b>Compellent SC200 Enclosure, 3.5" 12-Bay</b> Compellent SC200 Enclosure, 3.5" 12-Bay	\$2,485.20	4	\$9,940.80
<b>6Gb Mini-SAS to Mini-SAS Cable, 0.6M, Qty 2</b> 6Gb Mini-SAS to Mini-SAS Cable, 0.6M, Qty 2	\$87.21	4	\$348.84
<b>C13-C14, PDU, 12AMP, 6.5 FT (2m), Power Cord, Qty2</b> C13-C14, PDU, 12AMP, 6.5 FT (2m), Power Cord, Qty2	\$11.40	4	\$45.60
<b>C13-C14, PDU, 12AMP, 6.5 FT (2m), Power cord, Qty2</b> C13-C14, PDU, 12AMP, 6.5 FT (2m), Power cord, Qty2	\$11.40	1	\$11.40





**EAGLE Software, Inc.**  
 124 Indiana Avenue  
 Salina, KS 67401  
**P:** (785) 823-7257  
**W:** <http://www.eaglesoft.com>

**Lawrence Public School - CML (DR & Production)**

Compellent SC4020 + 5YR Support (DR)	Price	Qty	Ext. Price
<b>Ready Rails II Static Rails for 4-post Racks</b> Ready Rails II Static Rails for 4-post Racks	\$57.00	4	\$228.00
<b>SW, Storage Center OS Core Base License</b> SW, Storage Center OS Core Base License	\$0.00	1	\$0.00
<b>SW, Storage Center OS Core, Expansion License</b> SW, Storage Center OS Core, Expansion License	\$2,439.60	1	\$2,439.60
<b>SW, Enterprise Manager Chargeback License, Unlimited</b> SW, Enterprise Manager Chargeback License, Unlimited	\$1,254.00	1	\$1,254.00
<b>SW, Performance Bundle Base License</b> SW, Performance Bundle Base License	\$3,420.00	1	\$3,420.00
<b>SW, Performance Bundle Expansion License</b> SW, Performance Bundle Expansion License	\$3,420.00	1	\$3,420.00
<b>SW, Remote Data Protection Bundle Base License</b> SW, Remote Data Protection Bundle Base License	\$2,850.00	1	\$2,850.00
<b>SW, Remote Data Protection Bundle Expansion License</b> SW, Remote Data Protection Bundle Expansion License	\$2,439.60	1	\$2,439.60
<b>Installation and Implementation of a Dell Compellent SC4xxx Storage Array, up to 4 hosts</b> Installation and Implementation of a Dell Compellent SC4xxx Storage Array, up to 4 hosts	\$5,344.39	1	\$5,344.39
<b>Implementation of Dell Compellent Remote Instant Replay, Add-on</b> Implementation of Dell Compellent Remote Instant Replay, Add-on	\$1,720.07	1	\$1,720.07
<b>Support, 24x7, Dell/Compellent Series SC4020</b> Support, 24x7, Dell/Compellent Series SC4020	\$8,165.69	1	\$8,165.69
<b>Support, 24x7, Enclosure, SC200, 3.5" 12-bay</b> Support, 24x7, Enclosure, SC200, 3.5" 12-bay	\$5,942.59	4	\$23,770.36
<b>Support, 24x7, SW, Storage Center OS Core</b> Support, 24x7, SW, Storage Center OS Core	\$3,078.16	1	\$3,078.16
<b>Support, 24x7, SW, Storage Center OS Core, Expansion License</b> Support, 24x7, SW, Storage Center OS Core, Expansion License	\$4,391.69	1	\$4,391.69



**EAGLE Software, Inc.**  
124 Indiana Avenue  
Salina, KS 67401  
P: (785) 823-7257  
W: <http://www.eaglesoft.com>

**Lawrence Public School - CML (DR & Production)**

Compellent SC4020 + 5YR Support (DR)	Price	Qty	Ext. Price
<b>Support, 24x7, Enterprise Mgr Chargeback License</b> Support, 24x7, Enterprise Mgr Chargeback License	\$1,523.61	1	\$1,523.61
<b>Support, 24x7, SW, Performance Bundle</b> Support, 24x7, SW, Performance Bundle	\$6,155.85	1	\$6,155.85
<b>Support, 24x7, SW, Performance Bundle Expansion License</b> Support, 24x7, SW, Performance Bundle Expansion License	\$6,156.31	1	\$6,156.31
<b>Support, 24x7, SW, Remote Data Protection Bundle</b> Support, 24x7, SW, Remote Data Protection Bundle	\$5,129.95	1	\$5,129.95
<b>Support, 24x7, SW, Remote Data Protection Bundle Expansion License</b> Support, 24x7, SW, Remote Data Protection Bundle Expansion License	\$4,391.69	1	\$4,391.69
<b>Customer Discount / Compellent</b> Customer Discount / Compellent	(\$100,798.00 )	1	(\$100,798.00)
<b>Shipping</b> Shipping & Handling	\$932.00	1	\$932.00

**Compellent SC4020 + 5YR Support (DR) Subtotal**

**\$140,432.81**

Recap	Amount
Compellent SC4020 + 5YR Support (Production)	\$140,432.81
Compellent SC4020 + 5YR Support (DR)	\$140,432.81
<b>Total</b>	<b>\$280,865.62</b>

Terms and Conditions: Pricing is valid for 30 days from the date of the quotation. Taxes will be added in accordance with state law. Shipping and Handling charges (FOB shipping point), freight charges, shipping insurance and administration fees may apply. Payment Terms are Net 30. Pricing and availability are subject to change without notice. Purchaser acknowledges that, despite the best efforts and reasonable precautions of EAGLE Software Inc., products or services may be listed at an incorrect price or with incorrect information due to a typographical error or oversight. In such circumstances, EAGLE Software Inc. reserves the right, prior to delivery, to cancel the transaction even though Purchaser acceptance may have been confirmed. All products are non-returnable unless otherwise provided by the Manufacturer's Return Policy. Purchaser also agrees that this transaction will be governed by the Manufacturer's Terms and Conditions of Sale if any.

To accept this quote, please sign and return to:

Fax: (785) 823-6185  
Email: [orders@eaglesoft.com](mailto:orders@eaglesoft.com)

Signature

Date

To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309  
Dean Youngers, construction manager, bond projects, ext. 4584

Re: Purchase of HVAC Equipment – West

Date: December 4, 2014

Background:

At its June 9 meeting, the Board of Education approved the owner-architect agreement with BA Green Construction Co. for USD 497 2013 Bond Issue Projects at West Middle School. Included in the approved design was the replacement of the HVAC system located in the office suite with a new Mitsubishi Electric VRF system. Although not included in the Guaranteed Maximum Price (GMP) with BA Green Construction Co., the district had planned for this purchase and installation under their project scope to ensure its successful completion before occupancy.

Recommendation:

The Facility Progress and Planning Committee recommends board approval of a purchase contract with Kansas Trane/Knipp Equipment in the amount of \$45,000 for the replacement of the HVAC system in the office suite of West Middle School.

Motion:

"I move the Board of Education approve a purchase contract with Kansas Trane/Knipp Equipment in the amount of \$45,000 for the replacement of the HVAC system in the office suite of West Middle School."



# Proposal

From:  
**Knipp Equipment**

Date: November 26, 2014

Prepared For:  
**USD 497 Lawrence Schools**  
**BG Architecture**

Job Name:  
**West Middle School**  
**Lawrence Schools USD 497**

---

**Knipp Equipment is pleased to provide the enclosed proposal for your review. Please review the list of NOT included items on page 2.**

## Tag Data – Variable Refrigerant Flow Zoning System

Item	Tag(s)	Qty	Description	Model Number
A1	HP-1	1	VRF Heat Recovery Outdoor Unit	Mitsubishi City Multi
A2	BC-1	1	VRF Refrigerant Branch Controller	Mitsubishi City Multi
A3	IU-	16	VRF Indoor Air Handling Units	Mitsubishi City Multi
A4	DDC Controls	1 lot	VRF City Multi Controls Network	Mitsubishi City Multi
A5	Field Services	1 lot	Startup and commissioning services	Knipp Equipment
A6	Warranty	1 lot	Extended Warranty Program	Mitsubishi

### Items A1

R2 Series Heat Recovery Outdoor Unit capable of simultaneous heating & cooling  
Each system (as scheduled) consists of (2) modular outdoor units to be twinned in the field by contractor  
Twinning kits are provided for field installation by contractor  
Condenser coil hail guards (hoods) are provided shipped loose for installation by contractor

### Items A2

VRF Refrigerant Distribution Units – Branch Controllers (Branch ports have 3/8" x 5/8" flared connections)  
Flare type refrigerant **ball valves** with service port and insulation sleeve will be provided for each port  
Ball valves are shipped loose for field installation by contractor (unused ports require a ball valve as well)  
Soft copper pre-insulated refrigerant **line sets** between BC controller and indoor units are provided  
Linesets are 1/4x1/2 or 3/8x5/8 as required. Lengths will be coordinated with contractor  
The BC unit will require a line voltage connection and condensate drain  
ALL refrigerant lines require insulation

### Items A3

Indoor Fan Coil units – configuration / model as specified  
Remote controllers for each zone as required (rough-in by EC)  
Most units include an integral factory mounted condensate lift mechanism for condensate drain

### Item A4

Web-based central controller including remote control capabilities  
Control, scheduling and monitoring of VRF systems  
Programming and setup of control system for the VRF equipment  
Owner training

**Item A5**

Supervision of equipment delivery as required  
Regular jobsite visits and project coordination meetings as required  
Startup assistance (contractor must be present during all startup activities)  
Additional R410a refrigerant as required  
Commissioning services as required for Manufacturer's extended warranty program

**Item A6**

All equipment carries a standard 12 month parts warranty from the manufacturer  
2<sup>nd</sup> thru 5<sup>th</sup> year extended parts warranty is included conditional upon the following items;  
1. VRF systems are designed by certified Diamond Designer (completion of 1 day training course)  
2. VRF equipment is installed by certified Diamond Installer (completion of 3 day training course)  
3. Commissioning activities are performed and registered with Mitsubishi (by Knipp)  
In addition, the refrigeration compressors are covered for an additional 2 years (7 years total)  
Knipp will provide a 2 year labor warranty on all Mitsubishi VRF equipment  
This warranty covers defects and/or problems specific to the VRF equipment ONLY  
Any warranty items related to the installation of the VRF equipment will be the responsibility of the installing contractor

**TOTAL NET PRICE ITEMS A1 THRU A6.....\$45,000**

**NOT INCLUDED:**

- Outdoor unit mounting frames, structures or curbs, **vibration isolators**
  - Hard drawn copper lines between outdoor units and BC controllers
  - Field insulation of refrigeration lines, touchup or field patching of pre-insulated soft copper linesets
  - Flare to sweat pipe adapters (if required), fittings, elbows, reducers, couplings
  - Power wiring or unit disconnects
  - Additional external field installed condensate pumps (if required)
  - Hangers, rods, isolators, duct transitions
  - Filter racks, filter grilles, extra filters, access doors (ducted units will require field built filter racks)
  - Refrigerant piping system installation must include the following quality control measures at minimum.
    1. Purge all air from system with dry nitrogen before brazing and maintain nitrogen flow thru system during brazing.
    2. Pressure test system with dry nitrogen at minimum 600 PSI standing pressure for minimum 24 hours with no pressure loss.
    3. After successful completion of pressure test, perform triple evacuation on system, breaking each vacuum with dry nitrogen. Each evacuation shall attain 500 microns or lower (as low as possible). Final evacuation shall attain less than 500 microns (as low as possible) and then a standing vacuum test performed. System vacuum must not rise more than 100 microns in 2 hours and once initial equilibrium has been reached, micron level must hold with zero change for 1 hour.
    4. Knipp Equipment representative shall witness vacuum test prior to system charging
- If either #2 or #3 above fail, the system must be investigated, all leaks repaired, and system must be re-tested until both the pressure and vacuum tests can be successfully completed prior to charging system
- Charging of additional R410a is provided by contractor (additional R410a is provided by Knipp)
  - Low voltage wiring for Mitsubishi systems. All components shall be connected via daisy chain configuration. -
  - 16-2 shielded, twisted pair plenum rated cable shall be used (no exceptions)
  - Room sensor rough-in, line voltage connections, LAN drop connection to central controller
  - Workstation PC, routers, hubs, INTEGRATION TO JOHNONS CONTROLS, SCHOOL DUDE, ETC.
  - State or local taxes

Respectfully Submitted,

**Brett Miller – Knipp Equipment**

Wichita, KS 67211-1504

Phone: (316) 265-9655

Fax: (316) 265-1974

To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309  
Dean Youngers, construction manager, bond projects, ext. 4584

Re: Approval of Technology Package – New York

Date: December 4, 2014

Background:

At its April 24, 2014 meeting, the Board of Education approved the owner-architect agreement with Combes Construction, LLC for USD 497 2013 Bond Issue Projects at New York Elementary School. District administration, in coordination with the bond construction teams, made the recent decision to add the technology work into the construction management contract. Prior to this decision, the plan had been for the district IT department to internally manage this. With the large number of projects and the scale of technology infrastructure work to be done, this change provides a better opportunity to deliver successful construction projects on time. The change order was received on Tuesday, November 25 from the general contractor in the amount of \$96,548 and will cover the entire IT scope of work at New York Elementary School.

Recommendation:

The Facility Progress and Planning Committee recommends board approval of the Technology Package for USD 497 2013 Bond Issue Projects with Combes Construction, LLC due to bids associated with New York Elementary School.

Motion:

"I move the Board of Education approve the Technology Package with Combes Construction, LLC in the amount of \$96,548 for bond construction at New York Elementary School."

To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309  
Kathy Johnson, director, finance, ext. 2376

Re: Approval of Bid & Resolution for General Obligation Bonds

Date: December 4, 2014

**Background:**

On October 27, 2014, the Board of Education approved a resolution authorizing the offering for sale of \$36,000,000 of General Obligation Bonds, Series 2014-A of Unified School District No. 497, Douglas County.

Since that time, the district has gone through a Moody's rating, published the Notice of Sale for \$36,000,000 of General Obligation Bonds, Series 2014-A, and December 8, 2014, Noon is the due date of the bids.

At its December 8 meeting, the Board of Education will accept the winning bid.

In addition, the board will be required to approve a resolution ***Authorizing and directing the issuance, sale and delivery of General Obligation Bonds, Series 2014-A of Unified School District No.497, Douglas County, Kansas (Lawrence); Providing for the levy and collection of an annual tax for the purpose of paying the principal of and interest on said bonds as they become due; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith.***

The documents in your packet are the draft documents; final documents with the final sale results will be updated and given to you Monday evening. Representatives from George K. Baum, the district's financial advisor and representatives from Gilmore and Bell, legal counsel will be present to walk us through the necessary steps.

Note that this is the second issuance of bonds under the \$92,500,000 of bonding authorization obtained at the April 2, 2013 election. After issuance of these bonds, \$20,500,000 of voted bonding authority will remain.

***Motions for General Obligation Bonds***

**First Motion**

"I move the Board of Education accept the winning bid \_\_\_\_\_ net interest rate (TIC) from \_\_\_\_\_ for the District's GO Bonds, Series 2014-A.

**Second Motion**

"I move the Board of Education adopt a resolution authorizing and directing the issuance, sale and delivery of General Obligation Bonds, Series 2014-A of Unified School District No.497, Douglas County, Kansas (Lawrence); Providing for the levy and collection of an annual tax for the purpose of paying the principal of and interest on said bonds as they become due; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith.

Note: The winning bid rate and purchaser's name will be added to the final documents before signature.





**BOND RESOLUTION – USD 497 (LAWRENCE)**

- A. Excerpt of Minutes of Meeting approving sale, approving Bond Resolution
- B. Bond Resolution

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS COUNTY, KANSAS (LAWRENCE)  
HELD ON DECEMBER 8, 2014**

The governing body met in regular session at the usual meeting place in the District, at 7:00 p.m., the following board members being present and participating, to-wit:

Absent:

The President declared that a quorum was present and called the meeting to order.

\* \* \* \* \*

(Other Proceedings)

The Clerk reported that pursuant to the Notice of Bond Sale heretofore duly given, bids for the purchase of General Obligation Bonds, Series 2014-A, dated December 18, 2014, of the District had been received. A tabulation of said bids is set forth as **EXHIBIT A** hereto.

Thereupon, the governing body reviewed and considered the bids and it was found and determined that the bid of [PURCHASER], [PURCHASER CITY, STATE] was the best bid for the Bonds, a copy of which is attached hereto as **EXHIBIT B**.

Thereupon, there was presented a Resolution entitled:

**A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES 2014-A, OF UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS COUNTY, KANSAS (LAWRENCE); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.**

Thereupon, Board Member \_\_\_\_\_ moved that said Resolution be adopted. The motion was seconded by Board Member \_\_\_\_\_. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: \_\_\_\_\_.

Nay: \_\_\_\_\_.

Thereupon, the President declared said Resolution duly adopted and was signed by the President and attested by the Clerk.

\* \* \* \* \*

(Other Proceedings)

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

On motion duly made, seconded and carried, the meeting thereupon adjourned.

**CERTIFICATE**

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of Unified School District No. 497, Douglas County, Kansas (Lawrence), held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

---

Clerk

***EXHIBIT A***  
**(BID TABULATION)**

***EXHIBIT B***

**(BID OF PURCHASER)**

---

**RESOLUTION**

**OF**

**UNIFIED SCHOOL DISTRICT NO. 497,  
DOUGLAS COUNTY, KANSAS (LAWRENCE)**

**ADOPTED**

**DECEMBER 8, 2014**

**GENERAL OBLIGATION BONDS  
SERIES 2014-A**

---

## **TABLE OF CONTENTS**

### **ARTICLE I DEFINITIONS**

<b>Section 101.</b>	Definitions of Words and Terms.....	1
---------------------	-------------------------------------	---

### **ARTICLE II AUTHORIZATION AND DETAILS OF THE BONDS**

<b>Section 201.</b>	Authorization of the Bonds. ....	9
<b>Section 202.</b>	Description of the Bonds.....	9
<b>Section 203.</b>	Designation of Paying Agent and Bond Registrar. ....	9
<b>Section 204.</b>	Method and Place of Payment of the Bonds. ....	10
<b>Section 205.</b>	Payments Due on Saturdays, Sundays and Holidays. ....	11
<b>Section 206.</b>	Registration, Transfer and Exchange of Bonds.....	11
<b>Section 207.</b>	Execution, Registration, Authentication and Delivery of Bonds. ....	12
<b>Section 208.</b>	Mutilated, Lost, Stolen or Destroyed Bonds.....	12
<b>Section 209.</b>	Cancellation and Destruction of Bonds Upon Payment.....	13
<b>Section 210.</b>	Book-Entry Bonds; Securities Depository. ....	13
<b>Section 211.</b>	Nonpresentment of Bonds.....	14
<b>Section 212.</b>	Preliminary and Final Official Statement. ....	14
<b>Section 213.</b>	Sale of the Bonds. ....	15

### **ARTICLE III REDEMPTION OF BONDS**

<b>Section 301.</b>	Redemption by Issuer.....	15
<b>Section 302.</b>	Selection of Bonds to be Redeemed.....	16
<b>Section 303.</b>	Notice and Effect of Call for Redemption. ....	17

### **ARTICLE IV SECURITY FOR BONDS**

<b>Section 401.</b>	Security for the Bonds.....	19
<b>Section 402.</b>	Levy and Collection of Annual Tax; Transfer to Debt Service Account.....	19

### **ARTICLE V ESTABLISHMENT OF FUNDS AND ACCOUNTS**

#### **DEPOSIT AND APPLICATION OF BOND PROCEEDS**

<b>Section 501.</b>	Creation of Funds and Accounts. ....	19
<b>Section 502.</b>	Deposit of Bond Proceeds.....	19
<b>Section 503.</b>	Application of Moneys in the Improvement Fund. ....	20
<b>Section 504.</b>	Substitution of Improvements; Reallocation of Proceeds. ....	20
<b>Section 505.</b>	Application of Moneys in Debt Service Account. ....	20
<b>Section 506.</b>	Application of Moneys in the Rebate Fund. ....	21
<b>Section 507.</b>	Deposits and Investment of Moneys.....	21

### **ARTICLE VI DEFAULT AND REMEDIES**

<b>Section 601.</b>	Remedies.....	21
<b>Section 602.</b>	Limitation on Rights of Owners.....	22
<b>Section 603.</b>	Remedies Cumulative. ....	22



## ARTICLE VII DEFEASANCE

<b>Section 701.</b>	Defeasance. ....	22
---------------------	------------------	----

## ARTICLE VIII TAX COVENANTS

<b>Section 801.</b>	General Covenants. ....	23
<b>Section 802.</b>	Survival of Covenants. ....	23

## ARTICLE IX CONTINUING DISCLOSURE REQUIREMENTS

<b>Section 901.</b>	Disclosure Requirements. ....	23
<b>Section 902.</b>	Failure to Comply with Continuing Disclosure Requirements. ....	24

## ARTICLE X MISCELLANEOUS PROVISIONS

<b>Section 1001.</b>	Annual Audit. ....	24
<b>Section 1002.</b>	Amendments. ....	24
<b>Section 1003.</b>	Notices, Consents and Other Instruments by Owners. ....	25
<b>Section 1004.</b>	Notices. ....	26
<b>Section 1005.</b>	Electronic Transactions. ....	26
<b>Section 1006.</b>	Further Authority. ....	26
<b>Section 1007.</b>	Severability. ....	26
<b>Section 1008.</b>	Governing Law. ....	26
<b>Section 1009.</b>	Effective Date. ....	26

<b>EXHIBIT A – FORM OF BONDS</b> .....	A-1
--	-----

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

## **RESOLUTION**

**A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES 2014-A, OF UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS COUNTY, KANSAS (LAWRENCE); PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.**

**WHEREAS**, Unified School District No. 497, Douglas County, Kansas (Lawrence) (the “Issuer”) is a unified school district, duly created, organized and existing under the Constitution and laws of the State; and

**WHEREAS**, pursuant to proceedings duly had under the authority of K.S.A. 72-6761 and an election duly held on April 2, 2013, the following proposition was submitted to the voters:

Shall the following be adopted?

Shall Unified School District No. 497, Douglas County, Kansas (Lawrence), issue general obligation bonds in an amount not to exceed \$92,500,000, to pay the costs to construct additions to and renovate, improve technology infrastructure, equip and furnish existing elementary and secondary schools; construct, equip and furnish a new career and technology education facility and make all other necessary and related improvements in the District; all pursuant to the provisions of K.S.A. 10-101 *et seq.*; K.S.A. 25-2018(f); and K.S.A. 72-6761?

**WHEREAS**, said question was approved by a majority of the voters of the Issuer voting thereon, said vote having been 8,125 for and 3,122 against said question; and

**WHEREAS**, the Issuer has previously issued \$36,000,000 principal amount of general obligation bonds heretofore authorized and desires to issue an additional \$[PRINCIPAL AMOUNT] of the general obligation bonds so authorized; and

**WHEREAS**, the governing body of the Issuer has advertised the sale of the Bonds in accordance with the law and hereby awards the sale of such Bonds to the best bidder.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS COUNTY, KANSAS (LAWRENCE), AS FOLLOWS:**

## **ARTICLE I**

### **DEFINITIONS**

**Section 101. Definitions of Words and Terms.** In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

**“Act”** means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-620 *et seq.*, K.S.A. 25-2018(f), and K.S.A. 72-6761, all as amended and supplemented from time to time.

**“Authorized Denomination”** means \$5,000 or any integral multiples thereof.

**“Beneficial Owner”** of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

**“Bond and Interest Fund”** means the Bond and Interest Fund of the Issuer for its general obligation bonds.

**“Bond Counsel”** means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

**“Bond Payment Date”** means any date on which principal of or interest on any Bond is payable.

**“Bond Register”** means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

**“Bond Registrar”** means the State Treasurer, and any successors and assigns.

**“Bond Resolution”** means this resolution relating to the Bonds.

**“Bonds”** means the General Obligation Bonds, Series 2014-A, authorized and issued by the Issuer pursuant to this Bond Resolution.

**“Business Day”** means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

**“Cede & Co.”** means Cede & Co., as nominee of DTC and any successor nominee of DTC.

**“Clerk”** means the duly appointed and/or elected Clerk or, in the Clerk’s absence, the duly appointed Deputy Clerk or Acting Clerk of the Issuer.

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

**“Costs of Issuance”** means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, and all expenses incurred in connection with receiving ratings on the Bonds.

**“Dated Date”** means December 18, 2014.

**“Debt Service Account”** means the Debt Service Account for General Obligation Bonds, Series 2014-A created within the Bond and Interest Fund pursuant to **Section 501** hereof.

**“Debt Service Requirements”** means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

**“Defaulted Interest”** means interest on any Bond which is payable but not paid on any Interest Payment Date.

**“Defeasance Obligations”** means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody’s or Standard & Poor’s that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

**“Derivative”** means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

**“Disclosure Instructions”** means the Issuer’s Continuing Disclosure Instructions relating to certain obligations contained in the SEC Rule.

**“District”** means Unified School District No. 497, Douglas County, Kansas (Lawrence).

**“DTC”** means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

**“DTC Representation Letter”** means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

**“Event of Default”** means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution (other than the covenants relating to continuing disclosure requirements contained herein and in the Disclosure Instructions) on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

**“Federal Tax Certificate”** means the Issuer’s Federal Tax Certificate dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

**“Financeable Costs”** means the amount of expenditure for an Improvement which has been duly authorized by action of the governing body of the Issuer to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

**“Fiscal Year”** means the twelve month period ending on June 30.

**“Funds and Accounts”** means funds and accounts created pursuant to or referred to in *Section 501* hereof.

**“Improvement Fund”** means the Improvement Fund for General Obligation Bonds, Series 2014- A created pursuant to *Section 501* hereof.

**“Improvements”** means the improvements referred to in the preamble to this Bond Resolution and any Substitute Improvements.

**“Independent Accountant”** means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

**“Interest Payment Date(s)”** means the Stated Maturity of an installment of interest on any Bond which shall be March 1 and September 1 of each year, commencing September 1, 2015.

**“Issue Date”** means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

**“Issuer”** means the District and any successors or assigns.

**“Maturity”** when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

**“Moody’s”** means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

**“Notice Address”** means with respect to the following entities:

(a) To the Issuer at:

Unified School District No. 497, Douglas County, Kansas (Lawrence)  
Attn: Janice E. Dunn, Clerk  
110 McDonald Drive  
Lawrence, Kansas 66044  
Fax: (785) 832-5020

(b) To the Paying Agent at:

State Treasurer of the State of Kansas  
Landon Office Building  
900 Southwest Jackson, Suite 201  
Topeka, Kansas 66612-1235  
Fax: (785) 296-6976

(c) To the Purchaser:

[Purchaser Name]  
[Purchaser Address]  
[Purchaser City, State]  
Fax: [Purchaser Fax]

(d) To the Rating Agency:

Moody’s Municipal Rating Desk  
7 World Trade Center  
250 Greenwich Street  
23rd Floor  
New York, New York 10007

or such other address as is furnished in writing to the other parties referenced herein.

**“Notice Representative”** means:

- (a) With respect to the Issuer, the Clerk.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of Bond Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.

**“Official Statement”** means Issuer’s Official Statement relating to the Bonds.

**“Outstanding”** means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

**“Owner”** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register. Whenever consent of the Owners is required pursuant to the terms of this Bond Resolution, and the Owner of the Bonds, as set forth on the Bond Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Bonds.

**“Participants”** means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

**“Paying Agent”** means the State Treasurer, and any successors and assigns.

**“Permitted Investments”** shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer’s temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody’s or Standard & Poor’s; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in

K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

**“Person”** means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

**“President”** means the duly elected and acting President, or in the President’s absence, the duly appointed and/or elected Vice President or Acting President of the Issuer.

**“Purchase Price”** means the principal amount of the Bonds plus accrued interest to the date of delivery[, plus a bid premium of \$\_\_\_\_\_].

**“Purchaser”** means [Purchaser Name], [Purchaser City, State], the original purchaser of the Bonds, and any successor and assigns.

**“Rating Agency”** means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

**“Rebate Fund”** means the Rebate Fund for General Obligation Bonds, Series 2014-A created pursuant to *Section 501* hereof.

**“Record Dates”** for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

**“Redemption Date”** means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

**“Redemption Price”** means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

**“Replacement Bonds”** means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Section 210* hereof.

**“SEC Rule”** means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

**“Securities Depository”** means, initially, DTC, and its successors and assigns.

**“Special Record Date”** means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

**“Standard & Poor’s”** means Standard & Poor’s Ratings Services, a division of McGraw Hill Financial Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor’s shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.



**“State”** means the state of Kansas.

**“State Treasurer”** means the duly elected Treasurer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

**“Stated Maturity”** when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

**“Substitute Improvements”** means the substitute or additional improvements of the Issuer described in *Article V* hereof.

[ **“Term Bonds”** means the Bonds scheduled to mature in the year 2034.]

[ **“\_\_\_\_ Term Bonds”** means the Bonds scheduled to mature in the year \_\_\_\_.]

[ **“2034 Term Bonds”** means the Bonds scheduled to mature in the year 2034.]

[ **“Term Bonds”** means collectively, the \_\_\_\_ Term Bonds and the 2034 Term Bonds.]

**“Treasurer”** means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

**“United States Government Obligations”** means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

## ARTICLE II

### AUTHORIZATION AND DETAILS OF THE BONDS

**Section 201. Authorization of the Bonds.** There shall be issued and hereby are authorized and directed to be issued the General Obligation Bonds, Series 2014-A, of the Issuer in the principal amount of \$[PRINCIPAL AMOUNT], for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay Costs of Issuance.

**Section 202. Description of the Bonds.** The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

### SERIAL BONDS

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>	<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2016	\$_____	_____%	2026	\$_____	_____%
2017			2027		
2018			2028		
2019			2029		
2020			2030		
2021			2031		
2022			2032		
2023			2033		
2024			2034		
2025					

**[TERM BONDS**

<u>Stated Maturity</u> <u>September 1</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2034	\$_____	_____%]

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in **Section 204** hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as **EXHIBIT A** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

**Section 203. Designation of Paying Agent and Bond Registrar.** The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The President of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

**Section 204. Method and Place of Payment of the Bonds.** The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

**Section 205. Payments Due on Saturdays, Sundays and Holidays.** In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

**Section 206. Registration, Transfer and Exchange of Bonds.** The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer

or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to **Article III** hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this **Article II**.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

**Section 207. Execution, Registration, Authentication and Delivery of Bonds.** Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the President, countersigned by the manual or facsimile signature of the Treasurer, attested by the manual or facsimile signature of the Clerk, and the seal of the Issuer shall be affixed thereto or imprinted thereon. The President and Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Clerk, which registration shall be evidenced by the manual or facsimile signature of the Clerk with the seal of the Issuer affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or

imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The President and Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as **EXHIBIT A** hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

**Section 208. Mutilated, Lost, Stolen or Destroyed Bonds.** If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

**Section 209. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

**Section 210. Book-Entry Bonds; Securities Depository.** The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive

certificates representing their respective interests in the Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in an Authorized Denominations and form as provided herein.

**Section 211. Nonpresentment of Bonds.** If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

**Section 212. Preliminary and Final Official Statement.** The Preliminary Official Statement dated October 27, 2014, is hereby ratified and approved. For the purpose of enabling the Purchaser to comply with the requirements of Section (b)(1) of the SEC Rule, the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Section (b)(1) of the SEC Rule, and the appropriate officers of the Issuer are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the SEC Rule.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The President and chief financial officer of the Issuer are hereby authorized to execute the Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 213. Sale of the Bonds.** The sale of the Bonds to the Purchaser is hereby approved. The President and Clerk are hereby authorized to execute the official bid form submitted by the Purchaser. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

### **ARTICLE III**

#### **REDEMPTION OF BONDS**

### Section 301. Redemption by Issuer.

**Optional Redemption.** At the option of the Issuer, Bonds maturing on September 1 in the years 2024, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on September 1, 2023, and thereafter, as a whole or in part (selection of maturities and the amount of Bonds of each maturity to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

**[Mandatory Redemption.]** [(a) \_\_\_\_ Term Bonds.] The [\_\_\_\_] Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such [\_\_\_\_] Term Bonds:

<u>Principal Amount</u> \$	<u>Year</u>
	*

---

\*Final Maturity

[(b) 2034 Term Bonds.] The 2034 Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The taxes levied in **Article IV** hereof which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such 2034 Term Bonds:

<u>Principal Amount</u> \$	<u>Year</u>
	2034*

---

\*Final Maturity

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem



Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity as designated by the Issuer, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.]

**Section 302. Selection of Bonds to be Redeemed.** Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

**Section 303. Notice and Effect of Call for Redemption.** In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. [The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.]

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the State Treasurer. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Instructions. Further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

- (a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being

redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

## **ARTICLE IV**

### **SECURITY FOR BONDS**

**Section 401. Security for the Bonds.** The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

**Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account.** The governing body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

## ARTICLE V

### ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS

**Section 501. Creation of Funds and Accounts.** Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Improvement Fund for General Obligation Bonds, Series 2014-A;
- (b) Debt Service Account for General Obligation Bonds, Series 2014-A (within the Bond and Interest Fund); and
- (c) Rebate Fund for General Obligation Bonds, Series 2014-A.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

**Section 502. Deposit of Bond Proceeds.** The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds as follows:

- (a) All accrued interest, if any, received from the sale of the Bonds shall be deposited in the Debt Service Account.
- (b) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Improvement Fund.

**Section 503. Application of Moneys in the Improvement Fund.** Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor approved by the governing body of the Issuer and on file in the office of the Clerk, including any alterations in or amendments to said plans and specifications deemed advisable and approved by the governing body of the Issuer; (b) paying interest on the Bonds during construction of the Improvements; (c) paying Costs of Issuance; and (d) transferring any amounts to the Rebate Fund required by this *Article V*. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

**Section 504. Substitution of Improvements; Reallocation of Proceeds.**

- (a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Bonds provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the governing body of the Issuer in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Bonds to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the governing body of the Issuer pursuant to this Section, (3) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Bonds to include the Substitute Improvements; and (4) the use of the proceeds of the Bonds to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Bonds under State or federal law.

(b) The Issuer may reallocate expenditure of Bond proceeds among all Improvements financed by the Bonds; provided the following conditions are met: (1) the reallocation is approved by the governing body of the Issuer; (2) the reallocation shall not cause the proceeds of the Bonds allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (3) the reallocation will not adversely affect the tax-exempt status of the Bonds under State or federal law.

**Section 505. Application of Moneys in Debt Service Account.** All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

**Section 506. Application of Moneys in the Rebate Fund.**

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Federal Tax Certificate.

(b) The Issuer shall periodically determine the arbitrage rebate, if any, under Code § 148(f) in accordance with the Federal Tax Certificate, and the Issuer shall make payments to the United States of America at the times and in the amounts determined under the Federal Tax Certificate. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be deposited into the Bond and Interest Fund.

(c) Notwithstanding any other provision of this Bond Resolution, including in particular *Article VII* hereof, the obligation to pay arbitrage rebate to the United States of America and to comply with all other requirements of this Section and the Federal Tax Certificate shall survive the defeasance or payment in full of the Bonds.

**Section 507. Deposits and Investment of Moneys.** Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer; or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or

counties in which the Issuer is located. All such depositaries shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account may be invested in accordance with this Bond Resolution and the Federal Tax Certificate in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may, at the discretion of the Issuer, be credited to the Debt Service Account.

## **ARTICLE VI**

### **DEFAULT AND REMEDIES**

**Section 601. Remedies.** The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

**Section 602. Limitation on Rights of Owners.** The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

**Section 603. Remedies Cumulative.** No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to

every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

## **ARTICLE VII**

### **DEFEASANCE**

**Section 701. Defeasance.** When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Article III* hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

## **ARTICLE VIII**

### **TAX COVENANTS**

**Section 801. General Covenants.** The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The President and Clerk are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

**Section 802. Survival of Covenants.** The covenants contained in this Article and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to *Article VII* hereof or any other provision of this Bond Resolution until such time as is set forth in the Federal Tax Certificate.

## ARTICLE IX

### CONTINUING DISCLOSURE REQUIREMENTS

**Section 901. Disclosure Requirements.** The President and Clerk are hereby authorized and directed to execute the Disclosure Instructions in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Instructions, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

**Section 902. Failure to Comply with Continuing Disclosure Requirements.** In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section. Notwithstanding any other provision of this Bond Resolution, failure of the Issuer to comply with its covenants contained in the preceding section shall not be considered an Event of Default under this Bond Resolution.

## ARTICLE X

### MISCELLANEOUS PROVISIONS

**Section 1001. Annual Audit.** Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof



shall be filed in the office of the Clerk. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the governing body of the Issuer shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

**Section 1002. Amendments.** The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Issuer at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to provide for Substitute Improvements, to conform this Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the governing body of the Issuer amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Clerk, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Bond Resolution will be sent by the Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Clerk a copy of the resolution of the Issuer hereinabove provided for,

duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

**Section 1003. Notices, Consents and Other Instruments by Owners.** Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

**Section 1004. Notices.** Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

**Section 1005. Electronic Transactions.** The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

**Section 1006. Further Authority.** The officers and officials of the Issuer, including the President and Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

**Section 1007. Severability.** If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

**Section 1008. Governing Law.** This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

**Section 1009. Effective Date.** This Bond Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**ADOPTED** by the governing body of the Issuer on December 8, 2014.

(SEAL)

---

President

ATTEST:

---

Clerk

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**EXHIBIT A**  
**(FORM OF BONDS)**

**REGISTERED**  
**NUMBER** \_\_

**REGISTERED**  
**\$**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA**  
**STATE OF KANSAS**  
**COUNTY OF DOUGLAS**  
**UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS COUNTY, KANSAS (LAWRENCE)**  
**GENERAL OBLIGATION BOND**  
**SERIES 2014-A**

**Interest**  
**Rate:**

**Maturity**  
**Date:**

**Dated**  
**Date: December 18, 2014**

**CUSIP:**

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

**KNOW ALL PERSONS BY THESE PRESENTS:** That Unified School District No. 497, Douglas County, Kansas (Lawrence), in the County of Douglas, State of Kansas (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing September 1, 2015 (the “Interest Payment Dates”), until the Principal Amount has been paid.

**Method and Place of Payment.** The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered

on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

**Definitions.** Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

**Authorization of Bonds.** This Bond is one of an authorized series of Bonds of the Issuer designated “General Obligation Bonds, Series 2014-A,” aggregating the principal amount of \$[PRINCIPAL AMOUNT] (the “Bonds”) issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Bonds (the “Bond Resolution”). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 10-101 *et seq.*, K.S.A. 25-2018(f), and K.S.A. 72-6761, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

**General Obligations.** The Bonds constitute general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due.

**Redemption Prior to Maturity.** The Bonds are subject to redemption prior to maturity, as set forth in the Bond Resolution.

**Redemption Denominations.** Whenever the Bond Registrar is to select Bonds for the purpose of redemption, it shall, in the case of Bonds in denominations greater than a minimum Authorized Denomination, if less than all of the Bonds then Outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such Bond as though it were a separate Bond in the denomination of a minimum Authorized Denomination.

**Notice of Redemption.** Notice of redemption, unless waived, shall be given by the Issuer to the State Treasurer of Kansas and to the Bond Registrar in accordance with the Bond Resolution. The Issuer shall cause the Bond Registrar to notify each Registered Owner at the address maintained on the Bond Register, such notice to be given by mailing an official notice of redemption by first class mail at least 30 days prior to the redemption date. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer defaults in the payment of the redemption price), such Bonds or portions of Bonds shall cease to bear interest.

**Book-Entry System.** The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One Bond

certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Bond Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

**Transfer and Exchange.** EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

**IT IS HEREBY DECLARED AND CERTIFIED** that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

**IN WITNESS WHEREOF**, the Issuer has caused this Bond to be executed by the manual or facsimile signature of its President, countersigned by the manual or facsimile signature of its Treasurer and attested by the manual or facsimile signature of its Clerk, and its seal to be affixed hereto or imprinted hereon.

**UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS  
COUNTY, KANSAS (LAWRENCE)**

(Facsimile Seal)

By: \_\_\_\_\_  
(facsimile)  
President

ATTEST:

By: \_\_\_\_\_  
(facsimile)  
Clerk

COUNTERSIGNED:

By: \_\_\_\_\_  
(facsimile)  
Treasurer

---

**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This Bond is one of a series of General Obligation Bonds, Series 2014-A, of Unified School District No. 497, Douglas County, Kansas, (Lawrence) described in the within-mentioned Bond Resolution.

Registration Date \_\_\_\_\_

Office of the State Treasurer,  
Topeka, Kansas,  
as Bond Registrar and Paying Agent

By \_\_\_\_\_

Registration Number \_\_\_\_\_

---

**CERTIFICATE OF CLERK**

STATE OF KANSAS                    )  
  ) SS.  
COUNTY OF DOUGLAS            )

The undersigned, Clerk of Unified School District No. 497, Douglas County, Kansas (Lawrence), does hereby certify that the within Bond has been duly registered in my office according to law as of December 18, 2014.

WITNESS my hand and official seal.

(Facsimile Seal)

By: \_\_\_\_\_  
(facsimile)  
Clerk



**CERTIFICATE OF STATE TREASURER**

OFFICE OF THE TREASURER, STATE OF KANSAS

RON ESTES, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on \_\_\_\_\_.

WITNESS my hand and official seal.

(Seal)

By: \_\_\_\_\_  
Treasurer of the State of Kansas

---

**BOND ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

\_\_\_\_\_  
(Name and Address)

\_\_\_\_\_  
(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$\_\_\_\_\_, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint \_\_\_\_\_ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Social Security or  
Taxpayer Identification No.

\_\_\_\_\_  
Signature (Sign here exactly as name(s)  
appear on the face of Certificate)

Signature guarantee:

By \_\_\_\_\_

---

---

**LEGAL OPINION**

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

**GILMORE & BELL, P.C.**

Attorneys at Law

2405 Grand Boulevard  
Suite 1100  
Kansas City, Missouri 64108

(PRINTED LEGAL OPINION)

---

To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309  
Dean Youngers, construction manager, bond projects, ext. 4584

Re: Approval of Bond Construction Bids – Sunset Hill Elementary School

Date: December 4, 2014

Background:

McCownGordon partnered with Gould Evans Architects and Smith & Boucher Engineers on bond construction package 1 which includes Sunset Hill Elementary School. Last December the Board of Education approved the owner-construction management at-risk services agreement for USD 497 2013 Bond Issue Projects with McCownGordon Construction.

Bids were received at McCownGordon's office on Tuesday, November 11th for the project at Sunset Hill Elementary School. The Guaranteed Maximum Price (GMP) is \$8,329,566 and includes the cost of the Technology Package. Each carries a 3% contingency, added to manage any unforeseen conditions arising during the construction process.

Construction GMP	\$8,180,001
Technology GMP	<u>\$149,564</u>
Total GMP	\$8,329,566

Recommendation:

The Facility Planning and Progress Committee recommends board approval of the amended owner-construction management at-risk services agreement for USD 497 2013 Bond Issue Projects with McCownGordon Construction due to the bids associated with Sunset Hill Elementary School.

Motion:

"I move the Board of Education approve the Guaranteed Maximum Price contract amendment with McCownGordon in the amount of \$8,329,566 for bond construction at Sunset Hill Elementary School."

## CURRENT



ARZ ROAD

YALE ROAD



# SUNSET HILL

CURRENT





# SUNSET HILL

CURRENT





# SUNSET HILL

CURRENT





# SUNSET HILL

CURRENT





# SUNSET HILL

CURRENT



To: Board of Education

From: Kyle Hayden, assistant superintendent, business & operations, ext. 4309

Re: Boundary Advisory Committee Report & Recommendations

Date: December 4, 2014

Background:

As part of the 2013-14 goal-setting process, the Lawrence Public Schools Board of Education approved a goal to establish a Boundary Advisory Committee with governing guidelines. The committee was charged with assessing current elementary and middle school boundaries and enrollment projections, identifying future transitional boundaries and making recommendations to the board.

On October 14, 2013, the board approved the Guidelines for the Boundary Advisory Committee outlining the mission, purpose, make-up, and duties of the group. On January 13, 2014, the board approved the appointments to the committee. Membership of the group includes:

- Chair and vice chair: Rick Ingram and Bob Byers
- Assistant superintendent of business and operations: Kyle Hayden
- Director of administrative services: Ron May
- LEA president: Charlotte Anderson
- Lawrence Planning and Development assistant director: Amy Miller
- First Student Lawrence Branch Manager: Wayne Zachary
- Community at-large representatives: Scott Criqui, Jill Fincher, Connie Grimes, and Jim Whittaker

The Boundary Advisory Committee met regularly from last March through June. Enrollment and school capacity data was researched, evaluated, and presented by an outside district consultant, Rob Schwarz with RSP Associates. Using this data, the committee identified the key issues and priorities and further researched potential boundary modifications.

On May 12, the board received a progress report. On September 22, the board report included the committee's boundary change recommendations for both elementary and middle schools.

Public boundary change presentations occurred in late October and early November at the following schools: Langston Hughes, Sunflower, Quail Run, Deerfield, Schwegler, and Pinckney. Parents were provided an opportunity to ask questions and share their feedback.

The Boundary Advisory Committee met again on November 18 to discuss the community feedback from those meetings and some of the frequently asked questions. The committee also considered alternative proposals.

At the last Board of Education meeting on November 24, the board was provided a review of the previously presented enrollment data, a summary of the questions posed from public meetings and the committee responses those questions, and they received committee recommendations that remained unchanged from the original brought forth on September 22. The board provided the committee with further direction to explore other options specifically related to the movement of Deerfield, Quail Run, and Schwegler students.

The Boundary Advisory Committee met again on December 3, 2014. Community presentations are to occur at Deerfield and Schwegler on December 4. This board report will provide the new recommendations.

Although there is not a specific motion within this enclosure, a motion and vote by the Board of Education is anticipated to occur at the December 8 meeting.