

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1

PLATTSMOUTH, NEBRASKA

FINANCIAL STATEMENTS

AUGUST 31, 2011

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
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INDEPENDENT AUDITORS' REPORT

Board of Education  
Plattsmouth Community School District  
Cass County School District No. 1  
Plattsmouth, Nebraska

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska, as of and for the year ended August 31, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the administration, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska, prepares its financial statements on the basis of cash receipts and disbursements in accordance with the accounting procedures and reporting requirements permitted by the Nebraska Commissioner of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund and the aggregate remaining fund information of Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska, as of August 31, 2011, and the respective changes in cash basis financial position, thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2011, on our consideration of the Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and 28 through 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's basic financial statements. The other supplemental information, pages 43 to 47, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The 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 also not a required part of the basic financial statements. The other supplemental information, pages 43 to 47, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's basic financial statements. The other supplemental information, pages 48 to 54 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Dana J Cole + Company, LLP

Lincoln, Nebraska  
November 11, 2011

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the Cass County School District No. 1 provides an overview and analysis of the District's financial activities for the fiscal year ended August 31, 2011. The intent of the MD&A is to look at the District's financial performance as a whole. Readers should also review the financial statements found in the Financial Statement Section, and the notes thereto to enhance their understanding of the District's financial performance.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts: (1) Management's Discussion and Analysis (this section); (2) the Basic Financial Statements; (3) Required Supplemental Information; and (4) Other Information and the Single Audit (Federal Funds).

The accompanying basic financial statements have been prepared on the cash basis of accounting. Therefore, no capital assets are reported in this analysis. The government-wide financial statements report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities that rely on fees, charges and donations for support.

The statement of activities demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general receipts.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Proprietary funds are used to account for the District's business-type activities. Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements. The District did not have any funds that met the definition of a proprietary fund.

Fiduciary funds report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the District's own programs. The Activities Fund is a fiduciary fund, as are the Wiley Memorial Scholarship Fund and the Wiles Scholarship Fund.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data about the financial statements and the District's commitments, contingencies, and long-term debt obligations that are not reported in the cash basis financial statements. The statements are followed by a section of Required Supplementary Information that further explains and supports the information in the financial statements.

**FINANCIAL HIGHLIGHTS**

The District's total net assets as of August 31, 2011 were \$5,545,662 up \$1,622,432 from the 2009 - 2010 net assets of \$3,923,230.

The net assets of the General Fund increased by \$1,625,231.

The Bond Fund had an ending balance of \$460,087. The District made principal and interest payments on its bond issues totaling \$1,410,828.

Total outstanding bond debt at the end of the 2010 - 2011 year was \$11,735,000, including interest, with \$1,025,000 of bond principal debt retired during the year. The District issued \$485,000 of Taxable Limited Tax Obligation Build America Bonds, Series 2010C during the fiscal year.

The net assets of Head Start Funds were stable, with ending balances of \$23,297 in the program funds and \$11,213 in nutrition funds.

The Qualified Capital Purpose Undertaking Fund ended the year with a balance of \$142,971.

The School Lunch Fund balance on August 31, 2011 was \$147,263. Federal reimbursement to the District for food was \$404,318 up \$21,066 from 2009 - 2010.

The net assets of the Fiduciary Funds, though not considered material for purposes of reporting the financial condition of the District's assets, are of interest to management. Fiduciary Funds include the Activities Account, the Wiley Memorial Scholarship and the Wiles Scholarship. The activities account, exclusive of the scholarship funds, decreased in value by \$26,703, with an ending balance of \$126,737. The Wiley Memorial Scholarship Fund increased in value by \$6,329, with an ending balance of \$994,383. The Wiles Scholarship increased in value by \$1,278, with an ending balance of \$22,273.

**Financial Analysis of the District as a Whole**

Total Governmental Funds - The District's Revenue was \$22,585,655 for the fiscal year 2010 - 2011. Total funds consist of the General Fund and its components, School Lunch Fund, Bond Fund, Special Building Fund, Qualified Capital Purpose Undertaking Fund, and Student Fee Fund.

The District disbursed \$21,440,948 in 2010 - 2011. The District expended 52.16 of its total funds on instruction, and 13.25% on support services related to instruction. Business and administrative services, buildings and grounds, and pupil transportation contributed to the remaining 34.59% of expenditures. These figures include the bond payments, school lunch expenses, and special building fund expenditures.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS

**Plattsmouth Community School District  
 Levies 2009 - 2010 and 2010 - 2011**

	2009 - 2010	2010 - 2011	Change
General Fund	1.0320	1.0478	0.0158
Bond Fund	0.2200	0.2113	(0.0087)
Special Building Fund	0.0174	0.0020	(0.0154)
Total	<u>1.2694</u>	<u>1.2611</u>	<u>(0.0083)</u>

**Plattsmouth Community School District  
 General Fund Receipts  
 Comparison of 2007 - 2008 through 2010 - 2011**

Revenue Source	2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
Local	6,963,737	6,410,135	6,721,554	6,927,354
State	7,603,786	8,507,331	7,941,927	9,167,893
Federal	1,388,242	1,102,873	2,331,088	3,045,014
Other	75,203	95,933	96,737	131,412
Total	<u>16,030,968</u>	<u>16,116,272</u>	<u>17,091,306</u>	<u>19,271,673</u>

Disbursements increased by 0.45% from 2009 - 2010 to 2010 - 2011. Imbedded in the various categories of disbursements are expenditures for salaries and benefits for employees of the District.

Disbursements	2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
Regular instruction	7,473,943	8,091,726	7,379,044	7,172,184
Special education	2,585,595	2,819,243	3,048,366	3,024,449
Pupil support	366,387	364,494	374,730	385,972
Gifted program	10,172	12,186	10,053	7,942
Guidance services	248,869	262,927	214,300	223,639
Health services	125,757	99,074	86,963	74,788
Building maintenance and operations	1,457,640	1,669,270	1,492,797	1,525,090
Vehicle maintenance	17,420	15,090	26,032	36,424
Pupil transportation	559,035	560,726	502,719	329,230
BOE	389,100	398,806	147,585	246,309
Executive administration	173,973	116,752	128,628	137,141
Office of the Principal	817,386	781,890	740,982	706,420
Business services	214,917	215,832	251,453	235,966
Library services	246,237		229,274	238,466
Community service/fitness center		44,327	32,822	20,891
Federal programs	1,264,541	1,380,336	1,306,578	1,458,502
Other programs	176,073	72,264	172,819	112,325
ARRA - ESEA			1,394,523	1,710,704
Total	<u>16,127,045</u>	<u>16,904,943</u>	<u>17,539,668</u>	<u>17,646,442</u>



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Plattsmouth Community School District  
General Fund Cash Position  
Change from 2009 - 2010 to 2010 - 2011**

Cash Carryover 2009 - 2010	1,718,391
General Fund Receipts	19,269,492
General Fund Expenditures	<u>(17,736,301)</u>
Cash Carryover 2010 - 2011	<u>3,251,582</u>

**DEBT ADMINISTRATION**

Despite the financial pressure on school districts in Nebraska, Plattsmouth Community School District continues to maintain exceptional bond ratings. Currently, standard and poor's rates the Districts "AAA." Total outstanding bonds at the end of the 2010 - 2011 year were \$14,021,502, including interest obligations.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide patrons, students, and bond buyers a general overview of the District's finances and to demonstrate accountability for the money entrusted to the District for the education of the community's youth. If you have questions or need additional financial information contact the Office of the Superintendent, Plattsmouth Community School District, 1912 East Highway 34, Plattsmouth, Nebraska 68048. The telephone number is (402) 296-3361.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 STATEMENT OF ACTIVITIES AND NET ASSETS - CASH BASIS  
 FOR THE YEAR ENDED AUGUST 31, 2011

FUNCTIONS/PROGRAMS	Disbursements	Program Receipts		Net (Disbursements) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Primary Government
				Total Governmental Activities
Governmental Activities				
Regular instruction	8,190,482	86,834	1,554,553	(6,549,095)
Limited English proficiency	71,112			(71,112)
Poverty programs	5,647			(5,647)
Special education instruction	2,915,592		1,311,440	(1,604,152)
Support services				
Pupils	707,168			(707,168)
Instructional staff	223,639			(223,639)
Maintenance and operation of buildings	1,435,517			(1,435,517)
Regular pupil transportation	329,230			(329,230)
Special education pupil transportation	145,281		60,832	(84,449)
General and administrative				
Board of Education	246,309			(246,309)
Executive administration	137,141			(137,141)
Office of the Principal	706,420			(706,420)
Business services	224,158			(224,158)
Nonfederal support to Head Start	11,808			(11,808)
Fitness center	20,891			(20,891)
State programs	112,325		18,098	(94,227)
Federal programs	3,169,206		2,780,015	(389,191)
Food program services	802,433	424,077	409,527	31,171
Employee benefits	58,839			(58,839)
Nutrition and meals	68,078			(68,078)
Student fee expenses	52,508			(52,508)
Capital outlay	348,252			(348,252)
Debt service				
Principal	1,025,000			(1,025,000)
Interest	428,392			(428,392)

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 STATEMENT OF ACTIVITIES AND NET ASSETS - CASH BASIS  
 FOR THE YEAR ENDED AUGUST 31, 2011

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Assets
	Disbursements	Charges for Services	Operating Grants and Contributions	Primary Government Total Governmental Activities
FUNCTIONS/PROGRAMS				
Governmental Activities (Continued)				
Debt service (Continued)				
Underwriter fees	9,765			(9,765)
Wire fees	3,030			(3,030)
Total governmental activities	21,448,223	510,911	6,134,465	(14,802,847)
General Receipts				
Taxes				
Property taxes - general purpose				5,941,847
Property taxes - debt service				1,080,557
Motor vehicle tax				623,420
Carline taxes				10,388
Public Power District sales tax				156,986
In-lieu-of tax - Housing Authority				8,335
County fines and license fees				142,780
State aid				6,968,983
Other state receipts				774,403
Interest				6,622
Bond proceeds				485,000
Other receipts				225,958
Total general receipts				16,425,279
Change in net assets resulting from receipts and disbursements				1,622,432
NET ASSETS, beginning of year				3,923,230
NET ASSETS, end of year				5,545,662

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 STATEMENT OF ACTIVITIES AND NET ASSETS - CASH BASIS  
 FOR THE YEAR ENDED AUGUST 31, 2011

	Net (Disbursements) Receipts and Changes in Net Assets <hr/> Primary Government <hr/> Total Governmental Activities
ASSETS	
Cash and cash equivalents	3,243,413
Cash at County Treasurer	<u>2,302,249</u>
TOTAL ASSETS	<u>5,545,662</u>
NET ASSETS	
Restricted for:	
Capital projects	1,611,854
Debt services	460,087
Lunch Fund	222,139
Unrestricted	<u>3,251,582</u>
TOTAL NET ASSETS	<u>5,545,662</u>

See accompanying notes to financial statements.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS AND  
 STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES - CASH BASIS  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2011

		Major Funds							
		General Fund	Qualified Capital Purpose Undertaking Fund	Bond Fund	Special Building Fund	School Lunch Fund	Head Start Fund	Student Fee Fund	Total Governmental Funds
RECEIPTS									
Taxes									
	Property taxes - general purpose	5,931,015			10,832				5,941,847
	Property taxes - debt service		10,030	1,070,527					1,080,557
	Motor vehicle tax	623,420							623,420
	Carline taxes	8,630	2	1,741	15				10,388
	Public Power District sales tax	129,091		27,649	246				156,986
	In-lieu-of tax - Housing Authority	8,226			109				8,335
	Rental of school facilities	4,026							4,026
	Local license fees	747							747
	Other local receipts/tuition	75,344		6,717					82,061
	County receipts	142,780							142,780
	State receipts	9,167,893	126	79,869	758	5,209			9,253,855
	Federal receipts	3,045,014				404,318	1,174,664		4,623,996
	Sale of lunches and milk					424,077			424,077
	Interest income	4,075	680	1,077	698		68	24	6,622
	Other nonrevenue receipts	131,412				6,772		87,774	225,958
	<b>Total receipts</b>	<u>19,271,673</u>	<u>10,838</u>	<u>1,187,580</u>	<u>12,658</u>	<u>840,376</u>	<u>1,174,732</u>	<u>87,798</u>	<u>22,585,655</u>
DISBURSEMENTS									
	Regular instruction	7,002,798					1,064,323		8,067,121
	Regular instruction - school age (flex-spending)	103,784							103,784
	Regular instruction - below age five (flex-spending)	19,577							19,577
	Limited English proficiency	71,112							71,112
	Poverty programs	5,647							5,647
	Special education	2,915,592							2,915,592
	Support services								
	Pupils	707,168							707,168
	Instructional staff	223,639							223,639
	Maintenance and operation of buildings	1,435,517							1,435,517
	Regular pupil transportation	329,230							329,230
	Special education pupil transportation	145,281							145,281

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PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
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 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS AND  
 STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES - CASH BASIS  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2011

	Major Funds							Total Governmental Funds
	General Fund	Qualified Capital Purpose Undertaking Fund	Bond Fund	Special Building Fund	School Lunch Fund	Head Start Fund	Student Fee Fund	
DISBURSEMENTS (Continued)								
General and administration								
Board of Education	246,309							246,309
Business services	224,158							224,158
Executive administration	137,141							137,141
Office of the Principal	706,420							706,420
Nonfederal support to head start	11,808							11,808
Fitness center	20,891							20,891
State programs	112,325							112,325
Federal programs	3,169,206							3,169,206
Food program services				802,433				802,433
Employee benefits	58,839							58,839
Nutrition and meals					68,078			68,078
Student fee expenses						52,508		52,508
Capital outlay		348,252						348,252
Debt service								
Principal			1,025,000					1,025,000
Interest		42,564	385,828					428,392
Underwriter fees		7,275	2,490					9,765
Wire fees		3,030						3,030
Total disbursements	<u>17,646,442</u>	<u>401,121</u>	<u>1,413,318</u>	<u>802,433</u>	<u>1,132,401</u>	<u>52,508</u>	<u>21,448,223</u>	
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,625,231	(390,283)	(225,739)	12,658	37,943	42,331	35,290	1,137,432
OTHER FINANCING SOURCES (USES)								
Bond proceeds		485,000						485,000
NET CHANGE IN FUND BALANCES	1,625,231	94,717	(225,739)	12,658	37,943	42,331	35,290	1,622,432
FUND BALANCES, beginning of year	<u>2,641,940</u>	<u>48,254</u>	<u>685,825</u>	<u>440,636</u>	<u>109,320</u>	<u>(7,821)</u>	<u>5,076</u>	<u>3,923,230</u>
FUND BALANCES, end of year	<u>4,267,171</u>	<u>142,971</u>	<u>460,087</u>	<u>453,294</u>	<u>147,263</u>	<u>34,510</u>	<u>40,366</u>	<u>5,545,662</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS AND  
 STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES - CASH BASIS  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2011

	Major Funds							Total Governmental Funds
	General Fund	Qualified Capital Purpose Undertaking Fund	Bond Fund	Special Building Fund	School Lunch Fund	Head Start Fund	Student Fee Fund	
ASSETS								
ASSETS								
Cash and cash equivalents	2,307,814	139,373	120,857	453,230	147,263	34,510	40,366	3,243,413
County Treasurer's balances	<u>1,959,357</u>	<u>3,598</u>	<u>339,230</u>	<u>64</u>				<u>2,302,249</u>
TOTAL ASSETS	<u>4,267,171</u>	<u>142,971</u>	<u>460,087</u>	<u>453,294</u>	<u>147,263</u>	<u>34,510</u>	<u>40,366</u>	<u>5,545,662</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
FUND BALANCES								
Restricted for:								
Debt services			460,087					460,087
Committed	1,015,589	142,971		453,294				1,611,854
Assigned					147,263	34,510	40,366	222,139
Unassigned	<u>3,251,582</u>							<u>3,251,582</u>
Total fund balances	<u>4,267,171</u>	<u>142,971</u>	<u>460,087</u>	<u>453,294</u>	<u>147,263</u>	<u>34,510</u>	<u>40,366</u>	<u>5,545,662</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>4,267,171</u>	<u>142,971</u>	<u>460,087</u>	<u>453,294</u>	<u>147,263</u>	<u>34,510</u>	<u>40,366</u>	<u>5,545,662</u>

See accompanying notes to financial statements.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 STATEMENT OF NET ASSETS - CASH BASIS  
 FIDUCIARY FUNDS  
 AUGUST 31, 2011

	Private Purpose Trust Funds		
	Activities	Wiley Memorial Scholarship Fund	Wiles Scholarship Fund
	Fund	Fund	Fund
ASSETS			
Cash and cash equivalents	<u>126,737</u>	<u>994,383</u>	<u>22,273</u>
TOTAL ASSETS	<u>126,737</u>	<u>994,383</u>	<u>22,273</u>
LIABILITIES			
Due to student groups and other	<u>126,737</u>	_____	_____
TOTAL NET ASSETS	<u>- 0 -</u>	<u>994,383</u>	<u>22,273</u>

See accompanying notes to financial statements.



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS  
 WILEY MEMORIAL SCHOLARSHIP FUND  
 YEAR ENDED AUGUST 31, 2011

	Private Purpose <u>Trust Funds</u> Scholarship Fund
RECEIPTS	
Interest and dividend income	<u>88,162</u>
DISBURSEMENTS	<u>81,833</u>
RECEIPTS OVER DISBURSEMENTS	6,329
FUND BALANCE, beginning of year	<u>988,054</u>
FUND BALANCE, end of year	<u>994,383</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS  
 WILES SCHOLARSHIP FUND  
 YEAR ENDED AUGUST 31, 2011

	Private Purpose Trust Funds <hr style="width: 100%;"/> Scholarship Fund
RECEIPTS	
Interest and dividend income	<u>1,278</u>
DISBURSEMENTS	<u>- 0 -</u>
RECEIPTS OVER DISBURSEMENTS	1,278
FUND BALANCE, beginning of year	<u>20,995</u>
FUND BALANCE, end of year	<u><u>22,273</u></u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the Plattsmouth Community School District, Plattsmouth, Nebraska (the District).

Reporting Entity

The Plattsmouth Community School District, Plattsmouth, Nebraska's Board of Education ("Board") is the basic level of government, which has financial accountability and control over all activities related to the public school education in the District. The Board receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in Governmental Accounting Standards Board Statement No. 14, which are included in the District's reporting entity.

All significant activities and organizations on which the School exercises oversight responsibility have been included in the District's financial statements.

Basic Financial Statements - Government-Wide Statements

The statement of net assets and statement of activities report information on the District as a whole. They include all funds of the District except for fiduciary funds. The effects of inter-fund activity have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not report any business-type activities.

The statement of activities demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general receipts.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements as applicable.

The financial transactions of the District are reported in individual funds in the fund financial statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts and disbursements.

Fund Types

The accounts of the District are organized on the basis of funds, which are grouped into the following fund types:

Governmental Fund Types

**General Fund** - The General Fund is the general operating fund of the District and accounts for all receipts and disbursements of the District not encompassed within other funds. All property tax receipts and other receipts that are not allocated by law, budgetary requirement or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the new replacement capital outlay costs that are not paid through other funds are paid from the General Fund.

**Depreciation Fund** - A Depreciation Fund may be established by a District in order to facilitate the eventual purchase of a costly capital outlay by reserving such monies from the General Fund. To allocate monies from the General Fund, a District will show the movement of monies as an expense from the General Fund and the Depreciation Fund will show the revenue as a transfer from the General Fund. The District may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The purpose of a Depreciation Fund is to spread replacement costs of capital outlays over a period of years in order to avoid a disproportionate tax effect in a single year to meet such an expense. This fund is restricted as part of the Allowable Reserve by the Tax Equity and Educational Opportunities Support Act. The Depreciation Fund shall be considered only a component of the General Fund.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Types (Continued)

Governmental Fund Types (Continued)

Qualified Capital Purpose Undertaking Fund - The Qualified Capital Purpose Undertaking Fund may be established for the removal of environmental hazards, the reduction or elimination of accessibility barriers in District buildings, and the repayment of a qualified zone academy bond issued for a qualified special purpose. General Fund expenditures for the purpose of this fund are not allowed. The tax levy for this fund is limited to 0.052 cents per hundred dollars of valuation for the District and shall not exceed ten years for each environmental hazard abatement project or accessibility barrier elimination project and shall not exceed fifteen years for each qualified special purpose for which the qualified zone academy bond was issued according to Section 79-10, 100 R.R.S.

Bond Fund - The Bond Fund is used to record receipts and expenditures for bond principal and interest payments. Proceeds from bond issuance are deposited and recorded as a receipt in the Special Building Fund. The General Fund is used to make interest and bond retirement payments if the Bond Fund balance is not sufficient to meet these requirements.

Special Building Fund - The Special Building Fund is established for acquiring or improving sites and buildings, including the construction, alteration, or improvements of buildings. The Board of Education may approve a budget with a levy limitation of 14 cents per one hundred dollars of valuation; or a tax levy not to exceed 17.5 cents per one hundred dollars of valuation may be established for this fund by a vote of the people within the District.

Employee Benefit Fund - The Employee Benefit Fund is established in order to specifically reserve General Fund money for the benefit of the District employees. The District accounts for the allocation of funds from the General Fund to this fund as an expense in the General Fund and as a "transfer from the General Fund" in the Employees Benefit Fund. This fund may consist of more than one account for valid allocation purposes. The Employee Benefit Fund is considered a component of the General Fund.

School Lunch Fund - The School Lunch Fund is used to accommodate all aspects of the school lunch program and accounts for all receipts and disbursements of all child nutrition programs. Receipts in this fund include the federal and state program cost reimbursements received by the District and General Fund support of the lunch program. All food purchases and other supplies are accounted for as expenses of the School Lunch Fund; accordingly, no inventories are maintained in this fund.

Headstart Fund - Used to account for receipts and disbursements for the financial operation of the Headstart programs.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Types (Continued)

Governmental Fund Types (Continued)

Student Fee Fund - A Student Fee Fund shall be established to collect fees for participation in extracurricular activities, post secondary education costs and summer school or night school. The money shall be expended for the purposes for which it was collected from the students.

Fiduciary Fund Types

Activities Fund - The Activities Fund is used to account for the financial operations of quasi-independent student organizations, interschool athletics and other self-supporting or partially self-supporting school activities, not part of another fund.

Wiley Memorial Scholarship Fund - Used to account for receipts and disbursements of funds received from the Wiley Estate for the presentation of annual scholarships to selected high school graduates. Accordingly, such resources are held in a custodial capacity.

Wiles Scholarship Fund - Used to account for receipts and disbursements of funds received from private donors (Wiles family) for the presentation of scholarships to selected students. Accordingly, such resources are held in a custodial capacity.

Major Funds

The District reports all governmental funds as major funds. The General Fund and its components are considered one fund for reporting purposes.

Basis of Accounting

The District prepares its financial statements on the cash basis, which is in conformity with the accounting practices prescribed or permitted by the State of Nebraska Department of Education; consequently, these statements represent a summary of the cash activity of the various funds of the District and do not include certain transactions that would be included if the District prepared its financial statements in accordance with accounting principles generally accepted in the United States of America, as applicable to governmental units. Under the cash basis, revenues are recognized when collected rather than when earned, and expenses are recognized when paid rather than when incurred. Consequently, these financial statements are not intended to present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America, as applicable to governmental units.

Taxes and other revenues collected by the County Treasurers are included in revenues of the District in the year collected by the counties and the District funds held by the County Treasurers at year end are included as assets of the District. This is in accordance with the requirements of the State of Nebraska Department of Education.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets are not recorded as assets on the government-wide or fund financial statements and depreciation is not recognized. Purchases of capital assets are recorded as disbursements by function in the financial statements.

Long-Term Obligations

Long-term debt is not reported as a liability in the government-wide or fund financial statements. Proceeds from long-term debt are reported as receipts and payments of principal are reported as disbursements in both the government-wide and fund financial statements.

Equity Classification

Government-Wide Statements

Equity is classified as net assets and displayed in the following components:

a. Restricted net assets

Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

b. Unrestricted net assets

All other assets that do not meet the definition of “restricted.”

It is the District’s policy to use restricted net assets first, prior to the use of unrestricted net assets, when a disbursement is paid for purposes in which both restricted and unrestricted net assets are available.

Fund Statements

Fund Balance Classification. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District currently has no amounts classified in this category.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Statements (Continued)

Restricted

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned

This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board delegating this responsibility to the District manager through the budgetary process.

Unassigned

This classification includes the residual fund balance for the General Fund.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Interfund Balances and Activities

In the process of aggregating the financial information government-wide financial statements, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budget Process and Property Taxes

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the cash basis of accounting. Total expenditures for each fund may not exceed the total budgeted expenditures. The General Fund is also subject to a total non-special education expenditure limit. Appropriations for expenditures lapse at year end. Any revisions to the adopted budget of total expenditures to any fund require a public hearing. State statutes of the Nebraska Budget Act provide the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various expenditures and/or tax levy limitations.

The property tax requirement resulting from the budget process is utilized to establish the tax levy in accordance with State statutes, which tax levy attaches as an enforceable lien on property within the District as of January 1. Taxes are due as of that date. One-half of the real estate taxes due January 1 become delinquent after the following May 1, with the second one-half becoming delinquent after September 1.

Compensated Absences

Vacation and sick leave are recorded when paid. Certified employees who separate from the District upon retirement, disability, or death will receive pay for unused accumulated sick leave days at the substitute teacher's daily pay rate up to a maximum of 45 days. All other employees can accrue up to a maximum of 30 days for sick leave; however, there is no payment for unused sick leave. Management believes the amounts attributable to accumulated annual leave will not have a material financial impact on the accompanying financial statements. There was no liability for accrued vacation at August 31, 2011, as all vacation earned during the year must be used by August 31 with no carryover.

Use of Estimates

The preparation of financial statements in conformity with the other comprehensive basis of accounting (OCBOA) used by the District requires management to make estimates and assumptions that affect certain reported amounts and disclosures, accordingly, actual results could differ from those estimates.

NOTE 2. CASH AND INVESTMENTS

For the following disclosures, deposits, including checking accounts, savings accounts, money market accounts and certificates of deposit, are all classified as cash or cash and cash equivalents on the financial statements.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

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. As of August 31, 2011, all of the District's deposits with financial institutions were fully insured or collateralized by securities held in the District's name in the form of joint safekeeping receipts. State law requires all funds in depositories to be fully insured or collateralized; and the District's policy is to require depositories to provide pledged securities to cover deposits in excess of FDIC limits.

Investments

Nebraska statutes allow the District to make any investment allowed by the State Investment Officer. This includes bank certificates of deposit.

As defined by Governmental Accounting Standards Board Statement No. 3, the District had no investments as of August 31, 2011.

The Nebraska School District Liquid Asset Fund (NSDLAF) was established in March 1998 through the Interlocal Cooperation Act. NSDLAF was established to assist Nebraska school districts, educational service units and technical community colleges with the investment of their available cash reserves. Participation in the investment trust is voluntary for its members. The objective of NSDLAF is to provide its owner members with a conservative and effective investment alternative tailored to the needs of its members. NSDLAF portfolio management generally follows established investment criteria developed by the Securities and Exchange Commission for money market funds designed to offer acceptable yield while maintaining liquidity. NSDLAF is not registered with the Securities and Exchange Commission (SEC) as an investment company. The District has \$154,573 invested with NSDLAF as of August 31, 2011.

NSDLAF's short-term investment portfolio consists of cash and short-term investments valued at amortized cost, which is determined to approximate fair value due to the short-term nature of the instruments. This involves valuing a portfolio security at its original cost on the date of purchase and thereafter amortizing any premium or discount on the straight-line basis to maturity. The amount of premium or discount amortized to income under the straight-line method does not differ materially from the amount which would be amortized to income under the interest method. Procedures are followed to maintain a constant net asset value of \$1.00 per unit in NSDLAF.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 NOTES TO FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN

Plan Description

The Plattsmouth Community School District contributes to the Nebraska School Employees Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS provides retirement and disability benefits to plan members and beneficiaries. The School Employees Retirement Act establishes benefit provisions. NPERS issues a publicly available financial report that includes financial statements and required supplementary information for NPERS. That report may be obtained by writing the NPERS, 1221 N Street, Suite 325, P.O. Box 94816, Lincoln, NE 68509-4816 or by calling 1-800-245-5712.

Funding Policy

Plan members were required to contribute 7.28% of their annual covered salary from September 1, 2008 to August 31, 2009. Plan members were required to contribute 8.28% of their annual covered salary from September 1, 2009 to August 31, 2010. Plan members were required to contribute 8.28% of their annual covered salary from September 1, 2010 to August 31, 2011. The Plattsmouth Community School District is required to contribute 101% of the employee contribution. The contribution requirements of plan members and Plattsmouth Community School District are established by the Nebraska statutes. The School District's contributions to NPERS for the years ending August 31, 2009, 2010, and 2011 were \$785,725, \$936,701, and \$957,468, respectively, equal to the required contributions for each year.

NOTE 4. LONG-TERM DEBT

The District's Bond Fund has three bond issues outstanding as of August 31, 2011:

Bond-Fund

General Obligation Refunding Bonds, Series 2003A, dated February 27, 2003, principal of \$10,920,000 interest rate 1.85% to 4.30%, matures December 18, 2018.	7,305,000
General Obligation Refunding Bonds, Series 2006, dated December 12, 2006, principal of \$780,000, interest rate 3.60% to 3.90%, matures December 13, 2012.	435,000
General Obligation Refunding Bond, Series 2010, dated August 23, 2010, principal of \$2,595,000, interest rate 2.85% to 3.05%. Two principal payments on December 15, 2018 and December 15, 2019.	2,595,000

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

Qualified Capital Purpose Undertaking Fund

Taxable Limited Tax Obligation Building America Bonds, Series 2010A, dated August 5, 2010, principal of \$635,000, interest rate 1.50% to 4.75%, matures December 15, 2021.	635,000
Taxable Limited Tax Obligation Qualified School Construction Bonds, Series 2010B, dated August 5, 2010, principal of \$280,000, interest rate 5.00% to 5.45%, payments begin December 15, 2022, matures December 15, 2025.	280,000
Taxable Limited Tax Obligation Building America Bonds, Series 2010C, dated December 16, 2010, principal of \$485,000, interest rate 2.00% to 5.75% Matures December 15, 2025.	<u>485,000</u>
	<u>11,735,000</u>

The following is a summary of long-term debt transactions of the District for the year ended August 31, 2010.

	Original Issue	Balance August 31, 2010	Issued	Retire- ments	Bonds Outstanding August 31, 2011
General Obligation Bond Series 2003A	10,920,000	8,220,000		915,000	7,305,000
General Obligation Bond Series 2006	780,000	545,000		110,000	435,000
General Obligation Bond Series 2010	2,595,000	2,595,000			2,595,000
Build America Bonds Bond Series 2010A	635,000	635,000			635,000
Qualified School Construction Bonds Bond Series 2010B	280,000	280,000			280,000
Build America Bonds Bond Series 2010C	485,000	<u>          </u>	<u>485,000</u>	<u>          </u>	<u>485,000</u>
Total bonds		<u>12,275,000</u>	<u>485,000</u>	<u>1,025,000</u>	<u>11,735,000</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 NOTES TO FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

The principal and interest maturities over the next five years and thereafter are as follows:

Year Ending August 31	Principal	Interest	Total
2012	1,125,000	422,432	1,547,432
2013	1,195,000	381,195	1,576,195
2014	1,230,000	336,523	1,566,523
2015	1,120,000	291,727	1,411,727
2016	1,170,000	246,350	1,416,350
2017 - 2021	5,335,000	530,675	5,865,675
2022 - 2026	<u>560,000</u>	<u>77,600</u>	<u>637,600</u>
	<u>11,735,000</u>	<u>2,286,502</u>	<u>14,021,502</u>

All bonds require the District to levy taxes annually on all taxable property in the District for the purpose of paying the scheduled principal and interest payments due. The District levies the applicable taxes with the Bond and Qualified Capital Purpose Undertaking Funds as discussed in Note 1.

NOTE 5. WILEY MEMORIAL SCHOLARSHIP FUND

In previous school years, the District received donations from the Robert Wiley Estate. The will of the late Robert T. Wiley stipulates that the donation from his estate must be kept separate and not co-mingled with other funds of the District. The will also stipulates that "the corpus of the trust shall be invested and reinvested by the School Board in prudent man investments, such as designated blue-chip stocks, government bonds or securities, or highly rated industrial or municipal bonds". The will also provides that "the corpus of the trust shall remain intact and be used only for the production of income. The annual net income shall be used for scholarships each year." The will also stipulates that the income be used to provide scholarships of \$2,000 each to students using standards of eligibility as set by the School Board. The investment policy used by the District for the Wiley Memorial Scholarship Fund follows the investment policy stipulated by the donor's will.

NOTE 6. FEDERAL AWARD PROGRAMS

The District received funds under various federal grant programs and such assistance is to be expended in accordance with the provisions of the various grants. Compliance with the grants is subject to audit by various government agencies which may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would not have any material financial impact.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 NOTES TO FINANCIAL STATEMENTS

NOTE 7. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance to offset these certain risks. Settled claims have not significantly exceeded this commercial coverage in any of the past three fiscal years.

NOTE 8. INTERFUND TRANSFERS

During the year ended August 31, 2011, the District had several interfund transfers as shown below:

	Transfer In	Transfer Out
General Fund (as expensed)		159,125
Employee Benefit Fund	59,125	
Depreciation Fund	100,000	

The General Fund transferred funds to the each individual fund for support.

NOTE 9. SUBSEQUENT EVENTS

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through November 11, 2011, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
<b>RECEIPTS</b>		
Local sources		
Taxes		
Property taxes - general purpose	6,318,685	5,931,015
Carline tax	12,000	8,630
Public Power District sales tax	117,000	129,091
In-lieu-of tax - other	5,000	8,226
Motor vehicle taxes	675,000	623,420
Interest	7,500	1,894
Local license fees and fines	7,000	747
Rental of school facilities		4,026
Other local receipts/tuition	<u>70,500</u>	<u>75,344</u>
Total local sources	<u>7,212,685</u>	<u>6,782,393</u>
County sources		
County fines and license fees	220,000	141,780
SE NE Health Education Grant		1,000
Educational Service Unit receipts	<u>5,000</u>	
Total county sources	<u>225,000</u>	<u>142,780</u>
State sources		
State aid	6,968,983	6,968,983
Special education	1,700,000	1,311,440
Special education transportation	55,000	60,832
Homestead exemption		199,434
Property tax credit		219,856
High ability learners	10,000	9,095
Preschool flex funding		9,003
Prorate motor vehicle	25,000	18,231
State apportionment	220,000	256,129
State grants	<u>155,000</u>	<u>114,890</u>
Total state sources	<u>9,133,983</u>	<u>9,167,893</u>



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
RECEIPTS (Continued)		
Federal sources		
Title I	260,000	282,862
Title II, Part A	65,000	64,233
IDEA Poverty/Base	170,000	166,877
IDEA Part B Poverty	280,000	137,628
Medicaid in Public Schools	20,000	24,380
Medicaid activities/outreach	250,000	240,619
Public Law 874	10,000	10,091
ARRA Educational Jobs Fund		373,462
Title III LEP	2,000	3,449
Title IV, Part A NCLB - Safe and Drug Free Schools		6,299
Title IV, Part B NCLB - 21st Century Community Learning Centers	175,000	138,494
Carl Perkins	34,000	28,574
ARRA Stabilization Funds	1,222,772	1,222,772
ARRA IDEA Part B (611)		285,655
ARRA IDEA Preschool (619)		14,884
ARRA - Title I	70,000	21,367
Adult Education	7,000	10,122
ESEA Title II, Part D Technology		2,560
Hurricane relief/other fed sources	37,000	3,665
Indian Education Grant	4,000	7,021
Total federal sources	<u>2,606,772</u>	<u>3,045,014</u>
Nonrevenue receipts		
Insurance adjustments	2,000	
Sale of property	5,000	51,000
ROTC reimbursements	50,000	62,433
Other nonrevenue receipts	35,000	17,979
Total nonrevenue receipts	<u>92,000</u>	<u>131,412</u>
 TOTAL RECEIPTS	 <u>19,270,440</u>	 <u>19,269,492</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 GENERAL FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
DISBURSEMENTS		
Regular instruction	7,624,867	7,061,923
Regular instruction - school age (flex-spending)	106,000	103,784
Regular instruction - below age five (flex-spending)	18,731	19,577
Limited English proficiency	69,620	71,112
Poverty programs		5,647
Special education instruction	3,088,415	2,915,592
Support services		
Pupils	671,164	707,168
Instructional staff	231,409	223,639
Maintenance and operation of buildings	1,502,850	1,525,090
Regular pupil transportation	412,337	329,230
Special education pupil transportation	141,740	145,281
General and administration		
Board of Education	293,216	246,309
Executive administration	142,241	137,141
Office of the Principal	713,535	706,420
Business services	238,263	224,158
Nonfederal support to Head Start	5,000	11,808
State programs	116,001	112,325
Federal programs	2,831,773	3,169,206
Fitness center	34,325	20,891
	<u>18,241,487</u>	<u>17,736,301</u>
TOTAL DISBURSEMENTS		
RECEIPTS OVER DISBURSEMENTS		1,533,191
FUND BALANCE, beginning of year		<u>1,718,391</u>
FUND BALANCE, end of year		<u>3,251,582</u>

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 DEPRECIATION FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
RECEIPTS		
Transfer - General Fund (as expensed from the General Fund)	100,000	100,000
Interest received	<u>4,200</u>	<u>2,181</u>
Total receipts	<u>104,200</u>	<u>102,181</u>
DISBURSEMENTS		
Supplies and materials	2,000	1,083
Capital outlay	<u>1,025,746</u>	<u>9,343</u>
Total disbursements	<u>1,027,746</u>	<u>10,426</u>
RECEIPTS OVER DISBURSEMENTS		91,755
FUND BALANCE, beginning of year		<u>923,548</u>
FUND BALANCE, end of year		<u>1,015,303</u>

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 QUALIFIED CAPITAL PURPOSE UNDERTAKING FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
<b>RECEIPTS</b>		
Taxes		
Property taxes - debt purpose	11,929	10,030
Carline		2
Homestead exemption		125
Prorate motor vehicle		1
Bond proceeds		485,000
Interest	<u>1,000</u>	<u>680</u>
Total receipts	<u>12,929</u>	<u>495,838</u>
<b>DISBURSEMENTS</b>		
Contracted services	49,000	348,252
Interest payments	12,174	42,564
Wire fees		3,030
Underwriter's discount		<u>7,275</u>
Total disbursements	<u>61,174</u>	<u>401,121</u>
<b>RECEIPTS OVER DISBURSEMENTS</b>		94,717
<b>FUND BALANCE, beginning of year</b>		<u>48,254</u>
<b>FUND BALANCE, end of year</b>		<u>142,971</u>

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 BOND FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
<b>RECEIPTS</b>		
Taxes		
Property taxes - debt purpose	1,137,596	1,070,527
Carline	2,000	1,741
In-lieu-of tax		27,649
Other local receipts		6,717
Homestead exemption		38,195
Property tax credit		40,434
Prorate motor vehicle	4,600	1,240
Interest	<u>2,100</u>	<u>1,077</u>
Total receipts	<u>1,146,296</u>	<u>1,187,580</u>
<b>DISBURSEMENTS</b>		
Principal payments	1,080,000	1,025,000
Interest payments	383,133	385,828
Miscellaneous expense	2,000	2,490
Underwriter fees		
Wire fees		
Total disbursements	<u>1,465,133</u>	<u>1,413,318</u>
RECEIPTS UNDER DISBURSEMENTS		(225,739)
FUND BALANCE, beginning of year		<u>685,825</u>
FUND BALANCE, end of year		<u>460,087</u>

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 SPECIAL BUILDING FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
<b>RECEIPTS</b>		
Taxes		
Property taxes - general purpose		10,832
Carline taxes	500	15
Public Power District		246
In-lieu-of tax - housing authority		109
Homestead exemption		249
Prorate motor vehicle	800	90
Property tax credit		419
Interest	<u>1,500</u>	<u>698</u>
Total receipts	<u>2,800</u>	<u>12,658</u>
 <b>DISBURSEMENTS</b>		
Capital outlay	<u>847,178</u>	<u>          </u>
 <b>RECEIPTS OVER DISBURSEMENTS</b>		
		12,658
 <b>FUND BALANCE, beginning of year</b>		
		<u>440,636</u>
 <b>FUND BALANCE, end of year</b>		
		<u>453,294</u>

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 EMPLOYEE BENEFIT FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
RECEIPTS		
Transfer - General Fund (as expensed from the General Fund)	<u>59,125</u>	<u>59,125</u>
DISBURSEMENTS		
Benefits paid	<u>59,125</u>	<u>58,838</u>
RECEIPTS OVER DISBURSEMENTS		287
FUND BALANCE, beginning of year		_____
FUND BALANCE, end of year		<u>287</u>

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 SCHOOL LUNCH FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
RECEIPTS		
Sale of lunches	441,656	424,077
State reimbursement	5,300	5,209
Federal reimbursement	330,000	404,318
Other receipts	<u>4,000</u>	<u>6,772</u>
Total receipts	<u>780,956</u>	<u>840,376</u>
DISBURSEMENTS		
Salaries	318,300	296,760
Payroll taxes and benefits	30,040	55,177
Purchased services	20,800	26,236
Food and supplies	463,300	411,853
Equipment purchases	7,000	6,297
Other expenses		<u>6,110</u>
Total disbursements	<u>839,440</u>	<u>802,433</u>
RECEIPTS OVER DISBURSEMENTS		37,943
FUND BALANCE, beginning of year		<u>109,320</u>
FUND BALANCE, end of year		<u>147,263</u>

See accompanying notes to required supplemental information.



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 STUDENT FEE FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	2011 Actual
RECEIPTS		
Activities receipts	35,000	87,774
Interest	140	24
Total receipts	35,140	87,798
DISBURSEMENTS		
Extracurricular activity fees	77,642	52,508
RECEIPTS OVER DISBURSEMENTS		35,290
FUND BALANCE, beginning of year		5,076
FUND BALANCE, end of year		40,366

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS - BUDGET AND ACTUAL  
 HEAD START FUND  
 YEAR ENDED AUGUST 31, 2011

	Original and Final Budget	Headstart	Actual Headstart Nutrition	Total
<b>RECEIPTS</b>				
Federal reimbursement	1,082,127	1,014,504	89,976	1,104,480
Interest income	500	68		68
Miscellaneous federal receipts		70,184		70,184
Total receipts	<u>1,082,627</u>	<u>1,084,756</u>	<u>89,976</u>	<u>1,174,732</u>
<b>DISBURSEMENTS</b>				
Regular salaries	390,170	402,058		402,058
Noncertified salaries	378,391	357,433	687	358,120
Social security	63,972	60,047	53	60,100
Retirement	59,293	54,457	57	54,514
Additional retirement	3,525	7,480		7,480
Health insurance	76,842	79,298		79,298
Life insurance	1,146	898		898
Disability insurance	4,144	3,590		3,590
Unemployment	1,500	8,014		8,014
Secured services	10,380	3,104		3,104
Advertising and printing	300			
Professional services	500	875		875
Supplies	28,407	22,829	261	23,090
Utilities	26,000	20,555		20,555
Contracted transportation	9,497	8,722		8,722
In-lieu-of health insurance		4,000		4,000
Building costs and maintenance		165		165
Dues and fees	1,000			
In-service training	22,086	28,467		28,467
Furniture and equipment	3,096			
Travel	1,000	264		264
Teacher stipend		33		33
Administrative percentage	1,100	976		976
Food	60,000		49,374	49,374
Nutrition and meals	25,000		18,704	18,704
Total disbursements	<u>1,167,349</u>	<u>1,063,265</u>	<u>69,136</u>	<u>1,132,401</u>
RECEIPTS OVER DISBURSEMENTS		21,491	20,840	42,331
FUND BALANCE, beginning of year		<u>1,806</u>	<u>(9,627)</u>	<u>(7,821)</u>
FUND BALANCE, end of year		<u>23,297</u>	<u>11,213</u>	<u>34,510</u>

See accompanying notes to required supplemental information.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

NOTE 1. SCHEDULES OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE - CASH BASIS - BUDGET AND ACTUAL

Basis of Accounting

The accompanying schedules of receipts, disbursements and changes in fund balance - cash basis - budget and actual are presented on the cash basis of accounting. This basis is consistent with the basis of accounting used in preparing the basic financial statements. All unexpended appropriations lapse at the end of the budget year.

Budget Law

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the cash basis of accounting. Total expenditures for each fund may not exceed the total budgeted expenditures. The General Fund is also subject to a total non-special education expenditure limit. Appropriations for expenditures lapse at year end. Any revisions to the adopted budget of total expenditures to any fund require a public hearing.

Funds Over Budget

For the year ended August 31, 2011, the Qualified Capital Purpose Fund had disbursements of \$393,846 and budgeted disbursements of \$61,174 resulting in \$332,672 of excess disbursements over budgeted disbursements.

Reconciliation

The Nebraska Department of Education requires separate budgets for those funds considered as General Fund components for budget purposes.

A reconciliation of the General Fund financial reporting basis to the budgetary basis is as follows:

Receipts over (under) expenditures - financial reporting basis	
General Fund	<u>1,625,231</u>
Revenues over (under) expenditures - budgetary basis	
General Fund	1,533,191
Depreciation Fund	91,754
Employee Benefit Fund	<u>286</u>
	<u>1,625,231</u>

OTHER SUPPLEMENTAL INFORMATION

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED AUGUST 31, 2011

Federal Grantor/Pass-through Grantor/ Program Title	CFDA Number	Federal Expenditures
<u>U.S. Department of Health and Human Services</u>		
Direct Award - Head Start	93.600	1,042,576
Direct Award - ARRA Head Start	93.708	20,854
Medicaid in Administration	93.778	<u>264,999</u>
Total U.S. Department of Health and Human Services		<u>1,328,429</u>
<u>U.S. Department of Education</u>		
Indian Grant - Formula Grants to LEA's	84.060A	3,994
Passed-through Nebraska Department of Education		
Title I Part A - Improving the Academic Achievement	84.010	261,110
Improving Teacher Quality State Grants (Title IIA)	84.367	62,331
IDEA Part B Base/Transportation	84.027	74,296
IDEA Part B 611 Base	84.027	731,181
IDEA Part B poverty Section 611	84.027	138,708
IDEA Part B Proportionate Share	84.173	27,001
Career/Technical Education Basic Grants	84.048	35,933
Title IV, Part A NCLB - Safe and Drug Free Schools	84.186	428
Title IV, Part B NCLB - 21st Century Community Learning Centers	84.287	102,933
Title III NCLB Limited English Proficient Grant	84.365	1,750
ARRA - State Fiscal Stabilization Funds	84.394	1,317,143
ARRA - Title I	84.389	4,508
ARRA - IDEA Part C Special Projects	84.393	17,741
ARRA - ESEA Title II, Part D Technology	84.386	2,358
ARRA - Education Jobs Program	84.410	373,462
ARRA - IDEA Section 619	84.392	14,844
ARRA - Part B Section 611	84.391	285,655
Adult Education	84.002	<u>14,329</u>
Total U.S. Department of Education		<u>3,469,705</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED AUGUST 31, 2011

Federal Grantor/Pass-through Grantor/ Program Title	CFDA Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>		
Passed-through the Nebraska Department of Education		
National School Lunch Program	10.555	411,090
Child and Adult Care Food Program	10.558	89,976
Noncash Awards - U.S. Department of Agriculture		
Passed-through from Nebraska Department Social Services Food donation	10.555	<u>51,783</u>
Total U.S. Department of Agriculture		<u>552,849</u>
		<u>5,350,983</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2011

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards include the federal grant activity of the Plattsmouth Community School District and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 "Audits of State, Local Governments, and Non-Profit Organizations."

NOTE 2. SUBRECIPIENTS

The District expended no awards to subrecipients during the year.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 2  
 PLATTSMOUTH, NEBRASKA  
 AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FUNDING  
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
 YEAR ENDED AUGUST 31, 2011

ARRA RECEIPTS - FEDERAL FUNDS

General Fund

State Fiscal Stabilization (TEEOSA Aid) 1,222,772

IDEA receipts

IDEA Part B (611) Enrollment/Poverty 285,655

IDEA Preschool (619) Enrollment/Poverty 14,884

Total IDEA receipts 300,539

Title ESEA receipts

ESEA Title I, Part A Improving Academic Achievement  
of the Disadvantaged 21,367

Total ARRA Federal Funds - General Fund 1,544,678

Other funds

Cooperative Fund 70,184

TOTAL ARRA RECEIPTS - FEDERAL FUNDS 1,614,862

ARRA DISBURSEMENTS - FEDERAL FUNDS

General Fund

State Fiscal Stabilization - TEEOSA Aid

Non-SPED 455,326

POVERTY 767,446

Total State fiscal stabilization - TEEOSA Aid 1,222,772

IDEA

IDEA Part C Special Projects 17,741

ESEA Title

ESEA Title I, Part A 4,508

ESEA Title II, Part D Technology 2,358

Total ESEA Title 6,866

Total ARRA Federal Funds - General Fund 1,247,379

Other funds

Head Start Fund

ARRA: Other ESEA Programs 20,690

TOTAL ARRA DISBURSEMENTS - FEDERAL FUNDS 1,268,069



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
EDUCATION JOBS FUND PROGRAM  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED AUGUST 31, 2011

EDUCATION JOBS FUND PROGRAM RECEIPTS

General Fund

Education Jobs Fund Program

373,462

EDUCATION JOBS FUND PROGRAM DISBURSEMENTS

General Fund

Education Jobs Fund Program

Non-SPED

373,462

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND COMPONENTS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS  
 YEAR ENDED AUGUST 31, 2011

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifi- cations	Total
RECEIPTS					
Local sources					
Taxes					
Property taxes - general purpose	5,931,015				5,931,015
Carline tax	8,630				8,630
Public Power District sales tax	129,091				129,091
In-lieu of tax - Housing Authority	8,226				8,226
Motor vehicle taxes	623,420				623,420
Interest	1,894	2,181			4,075
Local license fees and fines	747				747
Rental of school facilities	4,026				4,026
Other local receipts/tuition	75,344				75,344
Total local sources	<u>6,782,393</u>	<u>2,181</u>			<u>6,784,574</u>
County sources					
County fines and license fees	141,780				141,780
SE Nebraska Health Grant	1,000				1,000
Total county sources	<u>142,780</u>				<u>142,780</u>
State sources					
State aid	6,968,983				6,968,983
Special education	1,311,440				1,311,440
Special education transportation	60,832				60,832
Homestead exemption	199,434				199,434
Property tax credit	219,856				219,856
High ability learners	9,095				9,095
Preschool flex funding	9,003				9,003
Prorate motor vehicle	18,231				18,231
State apportionment	256,129				256,129
State grants	114,890				114,890
Total state sources	<u>9,167,893</u>				<u>9,167,893</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND COMPONENTS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS  
 YEAR ENDED AUGUST 31, 2011

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifi- cations	Total
RECEIPTS (Continued)					
Federal sources					
Title I	282,862				282,862
Title II, Part A	64,233				64,233
IDEA Poverty/Base	166,877				166,877
IDEA Part B Poverty	137,628				137,628
Medicaid in public schools	24,380				24,380
Medicaid Administrative Activities	240,619				240,619
Public Law 874	10,091				10,091
AARA Education Jobs	373,462				373,462
Title III	3,449				3,449
Title IV Part A Drug Free	6,299				6,299
21st Century Learning Grant	138,494				138,494
Carl Perkins	28,574				28,574
ARRA State Fiscal Stabilization	1,222,772				1,222,772
ARRA IDEA Part B (611)	285,655				285,655
ARRA IDEA Preschool (619)	14,884				14,884
ARRA Title I	21,367				21,367
ABE/GED	10,122				10,122
Title II Part D Technology	2,560				2,560
Hurricane Relief/Other federal sources	3,665				3,665
Indian Education Grant	7,021				7,021
Total federal sources	<u>3,045,014</u>				<u>3,045,014</u>
Nonrevenue receipts					
Sale of property	51,000				51,000
Transfers from other funds		100,000	59,125	(159,125)	
Other	80,412				80,412
Total nonrevenue receipts	<u>131,412</u>	<u>100,000</u>	<u>59,125</u>	<u>(159,125)</u>	<u>131,412</u>
TOTAL RECEIPTS	<u>19,269,492</u>	<u>102,181</u>	<u>59,125</u>	<u>(159,125)</u>	<u>19,271,673</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND COMPONENTS  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
 CASH BASIS  
 YEAR ENDED AUGUST 31, 2011

	General Fund	Depreciation Fund	Employee Benefit Fund	Reclassifi- cations	Total
DISBURSEMENTS					
Regular instruction	7,061,923			(59,125)	7,002,798
Regular instruction - school age (flex-spending)	103,784				103,784
Regular instruction - below age five (flex-spending)	19,577				19,577
Limited English proficiency	71,112				71,112
Poverty programs	5,647				5,647
Special education instruction	2,915,592				2,915,592
Support services					
Pupils	707,168				707,168
Instructional staff	223,639				223,639
Maintenance and operation of building	1,525,090	10,427		(100,000)	1,435,517
Regular pupil transportation	329,230				329,230
School-aged SPED transportation	145,281				145,281
General and administration					
Board of Education	246,309				246,309
Executive administration	137,141				137,141
Office of the Principal	706,420				706,420
Business services	224,158				224,158
Nonfederal support to head start	11,808				11,808
State programs	112,325				112,325
Federal programs	3,169,206				3,169,206
Fitness center	20,891				20,891
Employee benefits			58,839		58,839
<b>TOTAL DISBURSEMENTS</b>	<u>17,736,301</u>	<u>10,427</u>	<u>58,839</u>	<u>(159,125)</u>	<u>17,646,442</u>
RECEIPTS OVER DISBURSEMENTS	1,533,191	91,754	286		1,625,231
FUND BALANCE, beginning of year	<u>1,718,391</u>	<u>923,549</u>			<u>2,641,940</u>
FUND BALANCE, end of year	<u>3,251,582</u>	<u>1,015,303</u>	<u>286</u>		<u>4,267,171</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND  
 SCHEDULE OF CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2011

REGULAR INSTRUCTION

Regular salaries	4,376,673
Substitute salaries	129,372
Clerical and paraprofessional staff salaries	95,820
Payroll taxes	352,948
Retirement	318,364
Increased retirement contribution rate	46,945
Health insurance	1,079,216
Other employee benefits	44,058
Purchased services	22,251
Supplies and materials	313,992
Textbooks	118,871
Capital outlay	150,551
Other expenses	<u>12,862</u>
Total regular instruction	<u>7,061,923</u>

REGULAR INSTRUCTIONAL PROGRAMS

SCHOOL AGE (FLEX-SPENDING)	
Regular salaries	47,386
Clerical and paraprofessional staff salaries	17,830
Payroll taxes	5,168
Retirement	4,795
Increased retirement contribution rate	659
Health insurance	10,353
Other employee benefits	501
Supplies and materials	<u>17,092</u>
Total regular instructional programs school age (flex-spending)	<u>103,784</u>

LIMITED ENGLISH PROFICIENCY

Regular salaries	35,101
Clerical and paraprofessional staff salaries	11,940
Payroll taxes	3,186
Retirement	3,443
Increased retirement contribution rate	473
Health insurance	16,203
Other employee benefits	453
Supplies and materials	228
Other expenses	<u>85</u>
Total limited English proficiency	<u>71,112</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND  
 SCHEDULE OF CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2011

E/P POVERTY PROGRAMS

Regular salaries	4,425
Payroll taxes	323
Retirement	325
Increased retirement contribution rate	45
Health insurance	501
Other employee benefits	28
Total E/P poverty programs	5,647

REGULAR INSTRUCTIONAL PROGRAMS  
 BELOW AGE FIVE (FLEX-SPENDING)

Clerical and paraprofessional staff salaries	14,560
Payroll taxes	1,114
Retirement	1,071
Increased retirement contribution rate	147
Other employee benefits	35
Supplies and materials	2,650
Total regular instructional programs below age five (flex-spending)	19,577

SPECIAL EDUCATION PROGRAMS

Regular salaries	1,218,464
Substitute salaries	28,119
Stipends/Curriculum work	17,410
Clerical and paraprofessional staff salaries	585,463
Payroll taxes	146,904
Retirement	135,181
Increased retirement contribution rate	18,568
Health insurance	243,416
Other employee benefits	21,619
Purchased services	355,308
Supplies and materials	106,222
Capital outlay	1,049
Other expenses	37,869
Total special education programs	2,915,592

TOTAL INSTRUCTIONAL PROGRAMS	10,177,635
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PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND  
 SCHEDULE OF CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2011

SUPPORT SERVICES - PUPILS	
Regular salaries	492,181
Clerical and paraprofessional staff salaries	31,049
Payroll taxes	41,689
Retirement	37,736
Increased retirement contribution rate	5,182
Health insurance	36,452
Other employee benefits	2,340
Supplies and materials	<u>60,539</u>
Total support services - pupils	<u>707,168</u>
SUPPORT SERVICES - INSTRUCTIONAL STAFF	
Regular salaries	138,739
Payroll taxes	10,536
Retirement	10,201
Increased retirement contribution rate	1,402
Health insurance	42,133
Other employee benefits	1,354
Supplies and materials	<u>19,274</u>
Total support services - instructional staff	<u>223,639</u>
SUPPORT SERVICES - BOARD OF EDUCATION	
Clerical and paraprofessional staff salaries	12,466
Payroll taxes	775
Retirement	895
Increased retirement contribution rate	123
Health insurance	7,839
Other employee benefits	19,693
Purchased services	128,567
Legal services	35,906
Supplies and materials	7,286
Other expenses	<u>32,759</u>
Total support services - Board of Education	<u>246,309</u>
SUPPORT SERVICES - EXECUTIVE ADMINISTRATION	
Clerical and paraprofessional staff salaries	102,969
Payroll taxes	7,067
Retirement	7,769
Increased retirement contribution rate	1,067

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND  
 SCHEDULE OF CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2011

SUPPORT SERVICES - EXECUTIVE ADMINISTRATION (Continued)

Health insurance	7,019
Other employee benefits	1,496
Supplies and materials	5,400
Other expenses	4,354
Total support services - executive administration	137,141

SUPPORT SERVICES - OFFICE OF THE PRINCIPAL

Regular salaries	370,998
Clerical and paraprofessional staff salaries	173,885
Payroll taxes	41,693
Retirement	39,697
Increased retirement contribution rate	5,453
Health insurance	54,950
Other employee benefits	3,605
Supplies and materials	7,311
Other expenses	8,828
Total support services - Office of the Principal	706,420

SUPPORT SERVICES - BUSINESS

Clerical and paraprofessional staff salaries	89,267
Payroll taxes	7,362
Retirement	6,750
Increased retirement contribution rate	927
Health insurance	21,984
Other employee benefits	10,025
Purchased services	53,564
Supplies and materials	34,279
Total support services - business	224,158

SUPPORT SERVICES - MAINTENANCE AND OPERATION  
 OF BUILDING AND PLANT

Regular salaries	544,903
Payroll taxes	42,144
Retirement	39,302
Increased retirement contribution rate	5,398
Health insurance	47,500
Other employee benefits	553
Purchased services	532,923



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND  
 SCHEDULE OF CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2011

SUPPORT SERVICES - MAINTENANCE AND OPERATION	
OF BUILDING AND PLANT (Continued)	
Supplies and materials	145,025
Capital outlay	167,247
Other expenses	<u>95</u>
Total support services - maintenance and operation of building and plant	<u>1,525,090</u>
SUPPORT SERVICES - REGULAR PUPIL TRANSPORTATION	
Purchased services	<u>329,230</u>
SUPPORT SERVICES - SCHOOL AGED SPED TRANSPORTATION	
Salaries of drivers	69,906
Payroll taxes	5,363
Retirement	5,130
Increased retirement contribution rate	704
Health insurance	200
Other employee benefits	3
Purchased services	45,708
Supplies and materials	<u>18,267</u>
Total support services - school aged SPED transportation	<u>145,281</u>
NONFEDERAL SUPPORT TO HEAD START	
Regular salaries	4,375
Supplies and materials	<u>7,433</u>
Total nonfederal support to head start	<u>11,808</u>
STATE PROGRAMS	
Flexible funding	12,115
Early Childhood Grant	<u>100,210</u>
Total state programs	<u>112,325</u>
FEDERAL PROGRAMS	
Title I	261,110
Title II, Part A	62,331
IDEA Part B Base/Transportation	74,296
IDEA Part B 611 Base	731,181
IDEA Part B Poverty Section 611	138,708
IDEA Part B Proportionate Share	27,001

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 GENERAL FUND  
 SCHEDULE OF CASH DISBURSEMENTS FOR OPERATIONAL EXPENSES  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2011

FEDERAL PROGRAMS (Continued)	
Carl Perkins	35,933
Title IV, Part A NCLB - Safe and Drug Free Schools	428
Title IV, Part B NCLB - 21st Century Community Learning Centers	102,933
Title III LEP	1,750
ARRA Stabilization Funds	549,697
ARRA Stabilization - Poverty	767,446
ARRA - Title I	4,508
ARRA - IDEA Part C Special Projects	17,741
ARRA - ESEA Title II, Part D Technology	2,358
ARRA - Education Jobs Program	373,462
Indian Education Grant	3,994
Adult Education	14,329
Total federal programs	<u>3,169,206</u>
OTHER PROGRAMS	
Fitness center	<u>20,891</u>
TOTAL DISBURSEMENTS	<u>17,407,071</u>

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 FIDUCIARY FUND  
 SCHEDULE OF CHANGES IN CASH BALANCES  
 (UNAUDITED)  
 YEAR ENDED AUGUST 31, 2011

	Balance 9/1/09	Receipts	Disburse- ments	Balance 8/31/10
Activities	153,440	508,810	535,513	126,737
Wiley Memorial Scholarship refunds	988,054	88,162	81,833	994,383
Wiles Scholarship Fund	<u>20,995</u>	<u>1,278</u>	<u>          </u>	<u>22,273</u>
	<u>1,162,489</u>	<u>598,250</u>	<u>617,346</u>	<u>1,143,393</u>

DANA F. COLE & COMPANY, LLP  
CERTIFIED PUBLIC ACCOUNTANTS  
1248 O STREET, SUITE 500  
LINCOLN, NEBRASKA 68508

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  
Plattsmouth Community School District  
Cass County School District No. 1  
Plattsmouth, Nebraska

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska, as of and for the year ended August 31, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 11, 2011. Our report disclosed that, as described in Note 1 to the financial statements, the District prepares its financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as items 2011-1 and 2011-2. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska'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 one instance of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Qualified Capital Purpose Fund exceeded the budgeted expenditures by \$332,672.

Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, Board of Education, management, the Nebraska Department of Education and the State of Nebraska Auditor of Public Accounts and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Dana J Cole + Company, LLP

Lincoln, Nebraska  
November 11, 2011

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education  
Plattsmouth Community School District  
Cass County School District No. 1  
Plattsmouth, Nebraska

Compliance

We have audited Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's compliance with the types of compliance requirements described in the OMB Circular A-133, "Compliance Supplement" that could have a direct and material effect on each of Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's major federal programs for the year ended August 31, 2011. Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's management. Our responsibility is to express an opinion on Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's compliance with those requirements.

In our opinion, Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2011.

## Internal Control Over Compliance

Management of Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Plattsmouth Community School District, Cass County School District No. 1, Plattsmouth, Nebraska's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-1 and 2011-2. 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.

This report is intended solely for the information and use of the audit committee, Board of Education, management, the Nebraska Department of Education and the State of Nebraska Auditor of Public Accounts and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Dana J Cole + Company, LLP

Lincoln, Nebraska  
November 11, 2011

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
 CASS COUNTY SCHOOL DISTRICT NO. 1  
 PLATTSMOUTH, NEBRASKA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED AUGUST 31, 2011

SECTION I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness identified:  Yes  No

Significant deficiencies identified that are not considered to be material weaknesses:  Yes  None reported

Noncompliance matter to the financial statements disclosed:  Yes  No

Federal Awards

Internal control over major programs:

Material weakness identified:  Yes  No

Significant deficiencies identified that are not considered to be material weaknesses:  Yes  None reported

Type of auditors' report issued on compliance for major programs: Unqualified

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

Identification of major programs:

ARRA - Education Jobs Fund	84,410
Head Start Cluster	93,600/93,708
ARRA - State Fiscal Stabilization	84,394

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

Auditee qualified as a low-risk auditee:  Yes  No



PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2011

SECTION II. FINANCIAL STATEMENT FINDINGS

2011-1 SEGREGATION OF DUTIES

Condition

Due to the size of the District there is limited segregation of duties over book-keeping, billing and accounting functions. The same individual routinely reconciles the bank statements, makes journal entries, and manages the general ledger functions.

Effect

Due to the lack of segregation of duties in this area, cash may be subject to misappropriation.

Cause

Limited number of staff.

Recommendation

We recommend that the organization continue to review the situation and make improvements where possible.

District's Response

The District has implemented procedures such as reviews of bank statements and bank reconciliations by the Superintendent to improve segregation of duties issues. The Board of Education also review and approve all expenditures. The District will within the constraints of existing time and cost considerations continue to review the situation and make improvements.

2011-2 FINANCIAL REPORTING PROCESSES

Condition

The District has limited controls over the period-end financial reporting processes. The District has limited controls over the selection of accounting procedures due to the lack of expertise over the selection and application of accounting principles. The District utilizes the expertise of the auditor to propose adjustments and disclosures and to draft the financial statements.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED AUGUST 31, 2011

SECTION II. FINANCIAL STATEMENT FINDINGS (Continued)

2011-2 FINANCIAL REPORTING PROCESSES (Continued)

Effect

Errors in the financial statements or disclosures could occur and not be detected by management.

Cause

Limited number of staff.

Recommendation

Management should carefully review financial statements including disclosures and understand the relationship to the underlying data. All proposed adjustments should be understood and approved.

District's Response

The District relies on the auditor to propose the adjustments necessary to prepare the financial statements including the related disclosures. The District reviews such financial statements.

2011-3 EXCESS DISBURSEMENTS OVER BUDGET

Condition

The Qualified Capital Purpose Undertaking Fund had disbursements over budget in the amount of \$332,672.

District's Response

There were unexpected expenditures that led to the District overspending their budget. In the future, the Superintendent and the Business Manager will monitor each fund class to ensure the budget level of expenditures is not exceeded.

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

See Section II Financial Statement Findings.

PLATTSMOUTH COMMUNITY SCHOOL DISTRICT  
CASS COUNTY SCHOOL DISTRICT NO. 1  
PLATTSMOUTH, NEBRASKA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The prior audit findings are as follows:

FINANCIAL STATEMENT FINDINGS

2010-1 SEGREGATION OF DUTIES

The District remains diligent in correcting this problem and has created and implemented a new policy to address the finding. See current year finding 2011-1.

2010-2 FINANCIAL REPORTING PROCESSES

The District is becoming more aware of this process and would like to be able to complete the financial statements if they need to. See current year finding 2011-2.