

**BASTROP
INDEPENDENT SCHOOL DISTRICT**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2012

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Bastrop Independent School District
Annual Financial Report
For The Year Ended June 30, 2012

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
INTRODUCTORY SECTION		
Certificate of Board.....	2	
FINANCIAL SECTION		
Independent Auditors' Report on Financial Statements.....	4	
Management's Discussion and Analysis (Required Supplementary Information).....	7	
<u>Basic Financial Statements</u>		
Government-wide Financial Statements:		
Statement of Net Assets.....	17	A-1
Statement of Activities.....	18	B-1
Fund Financial Statements:		
Balance Sheet - Governmental Funds.....	20	C-1
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Assets.....	22	C-1R
Statement of Revenues, Expenditures, and Changes in		
Fund Balances - Governmental Funds.....	23	C-2
Reconciliation of the Statement of Revenues, Expenditures, and Changes in		
Fund Balances of Governmental Funds to the Statement of Activities.....	25	C-3
Statement of Net Assets - Proprietary Funds.....	26	D-1
Statement of Revenues, Expenses, and Changes in		
Fund Net Assets - Proprietary Funds.....	27	D-2
Statement of Cash Flows - Proprietary Funds.....	28	D-3
Statement of Fiduciary Net Assets - Fiduciary Funds.....	29	E-1
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds.....	30	E-2
Notes to the Financial Statements	31	
<u>Required Supplementary Information:</u>		
Budgetary Comparison Schedules:		
General Fund.....	45	G-1
<u>Combining Statements as Supplementary Information:</u>		
Combining Balance Sheet - All Nonmajor Governmental Funds.....	48	H-1
Combining Statement of Revenues, Expenditures and Changes in		
Fund Balances - All Nonmajor Governmental Funds.....	49	H-2
Special Revenue Funds:		
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	50	H-3
Combining Statement of Revenues, Expenditures and Changes		
in Fund Balances - Nonmajor Special Revenue Funds.....	59	H-4

Bastrop Independent School District
Annual Financial Report
For The Year Ended June 30, 2012

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
Enterprise Funds:		
Combining Statement of Net Assets - Nonmajor Enterprise Funds.....	67	H-5
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets - Nonmajor Enterprise Funds.....	69	H-6
Combining Statement of Cash Flows - Nonmajor Enterprise Funds.....	71	H-7
Internal Service Funds:		
Combining Statement of Net Assets.....	73	H-8
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets.....	74	H-9
Combining Statement of Cash Flows.....	75	H-10
OTHER SUPPLEMENTARY INFORMATION SECTION		
Schedule of Delinquent Taxes Receivable.....	77	J-1
Indirect Cost Computation Schedule	79	J-2
Budgetary Comparison Schedules Required by the Texas Education Agency:		
National School Breakfast and Lunch Program.....	80	J-3
Debt Service Fund.....	81	J-4
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	82	
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.....	84	
Schedule of Findings and Questioned Costs	86	
Summary Schedule of Prior Audit Findings.....	88	
Corrective Action Plan.....	89	
Schedule of Expenditures of Federal Awards	90	K-1
Notes to the Schedule of Expenditures of Federal Awards.....	92	
Schedule of Required Responses to Selected School First Indicators.....	93	K-2

Introductory Section

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CERTIFICATE OF BOARD

Bastrop Independent School District
Name of School District

Bastrop
County

011-901
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) _____approved _____disapproved for the year ended June 30, 2012, at a meeting of the board of trustees of such school district on the ____ day of _____, _____.

Signature of Board Secretary

Signature of Board President

If the board of trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):
(attach list as necessary)

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Financial Section

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Independent Auditors' Report on Financial Statements

Board of Trustees
Bastrop Independent School District:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bastrop Independent School District as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Bastrop Independent School District's management. Our responsibility is to express opinions 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bastrop Independent School District as of June 30, 2012, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2012, on our consideration of Bastrop Independent School District'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.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information identified as Required Supplementary Information in the table of contents 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 Bastrop Independent School District's financial statements as a whole. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The accompanying other supplementary information is presented for purposes of additional analysis and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and other supplementary information 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, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the 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 financial statements as a whole.

Respectfully submitted,

The signature is written in a stylized, cursive script. The first part of the signature is "BELT", followed by "HARRIS" in a slightly larger, more ornate script, and then "PECHACEK, LLLP" in a smaller, simpler script.

Belt Harris Pechacek, LLLP
Certified Public Accountants
Bellville, Texas
October 30, 2012

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Management's Discussion and Analysis

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Bastrop Independent School District

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial Report, we, the managers of Bastrop Independent School District (the District), discuss and analyze the District's financial performance for the twelve months ended June 30, 2012. Please read it in conjunction with the independent auditors' report on page 4, and the District's Basic Financial Statements, which begin on page 17.

FINANCIAL HIGHLIGHTS

- The Bastrop Independent School District, for the tenth consecutive year earned a rating of Superior Achievement by the Texas Education Agency under its Financial Integrity Rating System of Texas (FIRST). The district received 70 out of 70 points used to determine the overall financial health and stability of school districts throughout Texas.
- The District's total net assets were \$16.7 million.
- Net assets of our business-type activities (employee daycare, community education, Bastrop ISD food service catering, and STARS after-school program, PAC Events) changed by \$18,852, resulting in total net assets of \$519,598.
- The General Fund ended the year with a fund balance of \$17.13 million, \$4.3 million more than the previous year. Contributing factors were: The District gave no pay increases. Twelve month employee's work schedules and salaries were reduced by five days. A program change was implemented at the secondary level including the Bastrop High School moving to a seven period day. Cedar Creek High School opened with the seven period day concept. The District reduced non-campus and administrative personnel. There were changes to the library, elementary art, music, and the gifted and talented programs. Reduction in transportation costs were achieved by eliminating mid-day Pre-K routes. Travel costs were reduced by 10% district-wide. The District dissolved the Bastrop Special Education Coop transferring SHARS settle-up payments and fund balance monies from the Coop fund to the General Fund
- The new \$65.7 million Cedar Creek High School opened in August of 2010. The 2011-12 budget included staffing and start-up costs for year two of this new campus. Cedar Creek High School opened with grades nine and ten with one grade being added each year.
- On Thursday, December 1, 2011, the District successfully sold Unlimited Tax Refunding Bonds, Series 2011 to refund a portion of the District's outstanding Unlimited Tax School Building and Refunding Bonds, Series 2002 and Unlimited Tax School Building Bonds, Series 2007 at a lower interest rate. The District's actual savings are \$1,568,956. As part of the refunding process, the District requested Standard & Poor's Rating Services to assign a credit rating to the District's Series 2011 Refunding Bonds. Standard and Poor's affirmed the District's credit rating (without consideration of the Permanent School Fund Guarantee) of "A+", even in light of the Bastrop Complex fire, citing the following factors for the rating: Good, conservative fiscal management practices; consistently strong financial position, including a healthy General Fund Balance; and strong wealth and income levels, including proximity to the strong Austin area economy and labor market.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Assets and the Statement of Activities on pages 17 and 18. These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements, starting on page 20, report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how services of the District were sold within the District or to external customers and how the sales revenues covered the expenses of the services.

The notes to the financial statements starting on page 31 provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities

The analysis of the District's overall financial condition and operations begins on page 17. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Assets includes all the District's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the district and grants provided by the U.S. Department of Education to assist children with disabilities from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years (such as workers' compensation claims).

These two statements report the District's net assets and changes in them. The District's net assets (the difference between assets and liabilities) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider non-financial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Assets and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities—Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities—The District charges a fee to “customers” to help it cover all or most of the cost of services it provides in the child care programs.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 20 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the No Child Left Behind Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District's two kinds of funds—governmental and proprietary—use different accounting approaches.

- Governmental funds—Most of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds—The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Assets and the Statement of Activities. In fact, the District's enterprise funds (one category of proprietary funds) are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets of the District's governmental activities increased from \$16.3 million to \$16.7 million. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – were \$3.1 million at June 30, 2012.

In 2012, net assets of our business-type activities increased by \$18,852. This increase was due to an increase in the after-school program (STARS), the High School BISTRO programs, and the Community Education program.

Table I
Bastrop Independent School District

	NET ASSETS in thousands					
	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	45,196	43,680	586	567	45,782	44,247
Capital assets	194,235	198,758		-	194,235	198,758
Total assets	239,431	242,438	586	567	240,017	243,005
Long-term liabilities	204,989	208,440			204,989	208,440
Other liabilities	17,705	17,684	67	67	17,772	17,751
Total liabilities	222,694	226,124	67	67	222,761	226,191
Net Assets:						
Invested in capital assets net of related debt	5,282	1,047		-	5,282	1,047
Restricted	8,365	7,408		-	8,365	7,408
Unrestricted	3,089	7,859	520	500	8,609	8,359
Total net assets	16,736	16,314	519	500	17,255	16,814

Table II
Bastrop Independent School District

CHANGES IN NET ASSETS
in thousands

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Charges for Services	1,356	1,383	802	820	2,158	2,203
Operating grants and contributions	20,141	10,281		-	20,141	10,281
General Revenues:						
Maintenance and operations taxes	27,439	28,112		-	27,439	28,112
Debt Service taxes	12,059	11,901		-	12,059	11,901
Grants and Contributions not restricted to specific functions	30,465	43,377		36	30,465	43,413
Investment Earnings	41	56		-	41	56
Miscellaneous	964	963	47	100	1,011	1,063
Transfers		-		-		-
Total Revenue	<u>92,465</u>	<u>96,073</u>	<u>849</u>	<u>956</u>	<u>93,314</u>	<u>97,029</u>
Expenses:						
Instruction, curriculum and media services	45,729	48,536		-	45,729	48,536
Instructional and school leadership	4,677	4,859		-	4,677	4,859
Student support services	8,630	8,769		-	8,630	8,769
Child nutrition	5,033	4,851		-	5,033	4,851
Expenses (continued):						
Co-curricular activities	2,663	2,673		-	2,663	2,673
General administration	1,999	2,284		-	1,999	2,284
Plant maintenance, security and data processing	8,309	9,818		-	8,309	9,818
Community services	1,681	1,305		-	1,681	1,305
Debt services	8,774	13,282		-	8,774	13,282
Bond Issuance cost	15	75		-	15	75
Capital Outlay		-		-		-
Payments related to SSA	3,926	1,749		-	3,926	1,749
Other Intergovernmental Charges	607	585		-	607	585
Other business-type activities		-	830	935	830	935
Total Expenses	<u>92,043</u>	<u>98,786</u>	<u>830</u>	<u>935</u>	<u>92,873</u>	<u>99,721</u>
Increase in net assets before transfers and special items	422	(2,713)	19	21		(2,692)
Special items		-		-		-
Net assets at Beginning	<u>16,315</u>	<u>19,028</u>	<u>501</u>	<u>480</u>	<u>16,816</u>	<u>19,508</u>
Net assets at Ending	<u>16,736</u>	<u>16,315</u>	<u>520</u>	<u>501</u>	<u>17,256</u>	<u>16,815</u>

The cost of all governmental activities this year was \$92.0 million. The Statement of Activities on pages 18 and 19 show that the amount that our taxpayers ultimately financed for these activities through District taxes was only \$39.5 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirement, bond covenants, and segregation for particular purposes.

Government funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved, undesignated fund balance may serve as a useful measure of the District's net resources available for spending at the end of a fiscal year.

The Board of Trustees has a fund balance policy as follows:

A financial goal of the District is to have a sufficient balance in the operating fund to be able to maintain fiscal independence in case of a financial need or crisis. The District shall strive to maintain a yearly fund balance in the general operating fund in which the total fund balance is 22.5 percent of the total operating expenditures and the unreserved/undesignated fund balance is 15 percent of the total operating expenditures.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balance of \$25,720,348, an increase of \$1,231,536 due to an increase of \$4,201,531 in the general fund, a decrease of \$336,571 in the debt service fund, an increase in inventories of \$2,205 an decrease in federal and state grant restrictions of 2,658,704, an increase in other restrictions of fund balance or 95,213, and a decrease of \$72,138 in capital projects. Approximately 49.8 percent of this total amount (\$12,804,458) constitutes unreserved, undesignated fund balance. The remainder of the fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed for:

- Inventory (\$126,692);
- Payment of debt service payments (\$5,455,083);
- Federal/State Funds Grant Restrictions (\$802,363);
- Capital projects (\$1,695,791);
- Construction (\$1,810,919);
- Claims and Judgments (\$100,000);
- Purchase of capital outlay (\$750,000); and
- Other miscellaneous designations (\$1,585,000)

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$12,804,458 while the total fund balance was \$17,128,555. As a measure of the general fund's liquidity, it may be useful to compare both unreserved and undesignated fund balance, and total fund balance to the total fund expenditures. Unreserved, undesignated fund balance represents 21.2 percent of the total general fund expenditures, while total fund balance represents 28.4 percent of that same amount.

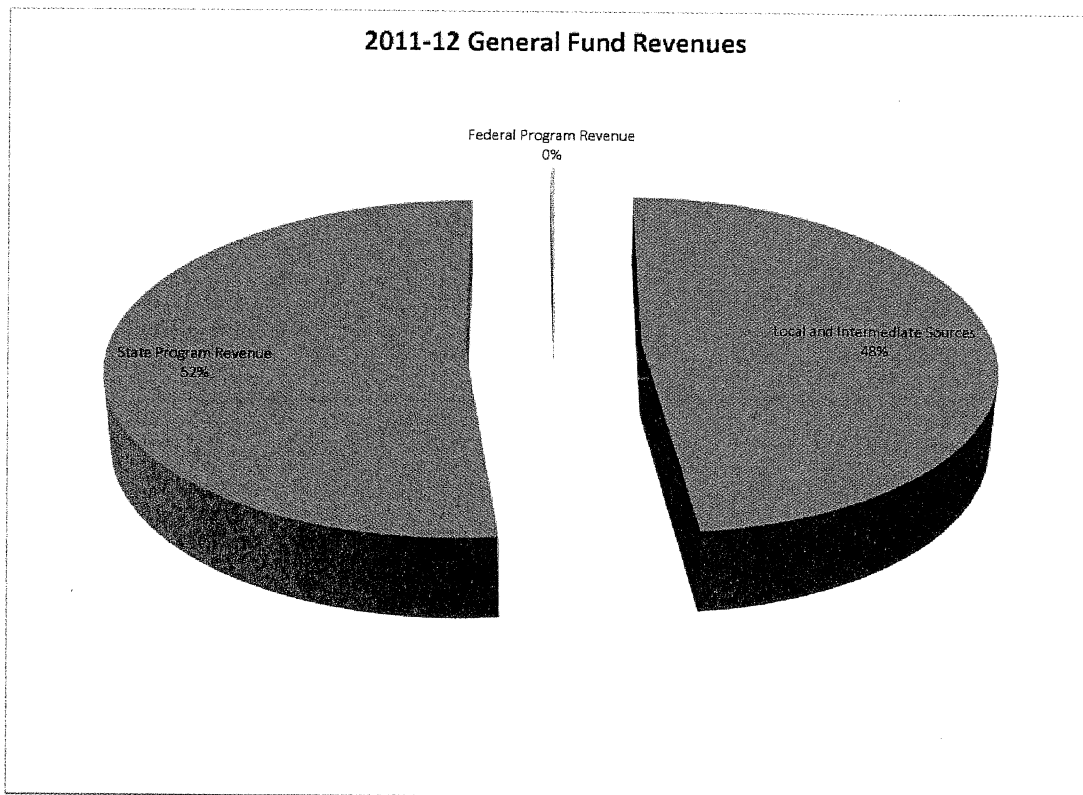
The total fund balance of the District's general fund budget increased by \$4,203,135; Key factors to this change are as follows:

- No pay increases were given ;
- Twelve month employee's work schedules and salaries were reduced by five days;
- Education Jobs Fund grant;
- Program change implemented at the secondary level involving Bastrop High School moving to a seven period day. Cedar Creek High School opened with the seven period day concept;
- Reduction in non campus and administrative personnel;

- Changes to the library, elementary art, music and gifted and talented programs;
- Reduction in transportation costs were achieved by eliminating mid-day Pre-K routes
- Travel costs were reduced by 10% district-wide;
- Dissolution of the Bastrop County Special Education Coop

The debt service fund has a total fund balance of \$5,455,083, all of which is reserved for the payment of debt service. The net decrease in fund balance during the period in the debt service fund was \$336,571.

The District's total general revenues were \$62.4 million. A portion, \$30.0 million or 44%, of the District's revenues come from taxes, and other local revenue. The majority of the other 52% of revenues is from State Program Revenues.



GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District recommended and the Board approved several revisions to budgeted revenue and appropriations. These amendments fall into the following categories:

- Amendment approved after the beginning of the new fiscal year to record E-Rate revenue received and expenditures associated with this award;
- Amendment for roof repair and insurance recovery;
- Amendment to increase tax revenue;
- Amendment to decrease state aide;
- Amendment to increase utilities;
- Amendment to increase legal costs;
- Amendment to increase fuel costs;
- Amendment to TRS on Behalf costs.

The District made the following major amendments to budgeted revenues:

- \$ 481,415 increase in tax collections;
- \$ 123,370 increase for insurance recovery;
- \$ 252,365 increase for E-rate award;
- \$ 175,000 decrease in state aid;
- \$ 415,458 TRS on Behalf (Accounting Entry Only).

The following is a summary of major amendments made to appropriations:

- \$252,365 increase for E-rate expenditures;
- \$200,000 increase in fuel costs;
- \$ 95,000 increase for legal costs;
- \$200,000 increase for utilities;
- \$315,000 increase for payroll costs; and
- \$246,000 increase roof repair and maintenance projects; and
- \$59,072 increase for TRS on behalf (accounting entry only).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2011-12, the District had \$194.2 million invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance.. More detailed information about the District's capital assets is presented in Note D to the financial statements.

Debt

At year-end, the District had \$177,568,945 million in bonds and notes outstanding versus \$180,428,785 million last year. The District credit ratings are as follows; Moody's Investors Service underlying credit rating for Bastrop ISD is "A2" while Standard and Poor's underlying rating for Bastrop ISD is "A+".

More detailed information about the District's long-term liabilities is presented in Note F to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's elected and appointed officials considered many factors when setting the fiscal year 2012-13 budget and tax rates. Factors considered during the budget process were Bastrop Complex Fire and the affect it would have on the District's operating and debt service budgets. The District lost over \$115 million in property value due to the Bastrop Complex Fire. Approximately 140 students relocated due to the Bastrop complex Fire. Another factor is the economy. Bastrop County continues to be a growing area. Commercial businesses continue to open enhancing the economy and property values. Bastrop County grew at a fast rate from 1990 to 2000 with an increase of 50.88 percent.

The new Cedar Creek High School opened in August 2010. The school opened with ninth and tenth grades students. Cedar Creek High School will have all grade levels in 2012-13.

The district estimated no enrollment growth based on the loss of students from the Bastrop Complex fires. A one percent growth in property value was used for budget purposes. The 2012-13 tax rate is \$1.481, with \$1.04 for maintenance and operations and \$0.441 for debt service. The District has maintained the same tax rate for the past five years.

One July 18, 2012 the District successfully sold its Unlimited Tax Refunding Bonds, Series 2012 to refund a portion of its outstanding Unlimited Tax Bonds, Series 2002 and Series 2005-A at a lower interest rate. The District achieved a total savings of \$1,884,839. This along with the 2011 refunding helped mitigate the effect to the debt service budget for 2012-13 allowing the District to adopt the same debt service tax rate or \$0.481 cents.

These indicators were taken into consideration when adopting the General Fund budget for 2012-13. Amounts available for appropriation in the General Fund budget are \$65.5 million. Budgeted expenditures are expected to be \$64.1 million. Teachers received a \$1,000 pay increase for the 2012-13 budget year. Administrative and auxiliary staff that had days and salary reduced in 2011-12 went back to their original calendar and received raises for the first time in three years. The District reorganized the Instructional Secondary Specialists to allow four specialists; one in each core content area at each high school and middle school. Eighteen additional teaching positions were added to accommodate adding the fourth year of Cedar Creek High School. Campus testing coordinators were added at the secondary level to accommodate the demanding testing schedule with the implementation of the second year of end of course testing. The District's secure parental access component of the student software package continues to grow in use. This system allows authorized parents or guardians to view student information such as attendance, grades, class schedules, and discipline records from any computer with Internet access. The District has also implemented a parent communication program, which allows the campuses and District to communicate with parents via phone messages, emails, and text messages.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer at the District's service center at Bastrop Independent School District, 906 Farm Street, Bastrop, Texas 78602. Financial information is available on the Bastrop ISD website (www.bisdtx.org).

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Basic Financial Statements

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BASTROP INDEPENDENT SCHOOL DISTRICT**STATEMENT OF NET ASSETS**

JUNE 30, 2012

Data Control Codes		1	2	3
		Governmental Activities	Business-type Activities	Total
ASSETS:				
1110	Cash and Cash Equivalents	\$ 13,545,020	\$ 586,400	\$ 14,131,420
1120	Current Investments	14,794,927	--	14,794,927
1225	Property Taxes Receivable	6,077,933	--	6,077,933
1230	Allowance for Uncollected Taxes	(1,714,037)	--	(1,714,037)
1240	Due from Other Governments	10,337,023	--	10,337,023
1290	Other Receivables (Net)	288,411	--	288,411
1300	Inventories	126,692	--	126,692
1410	Prepaid items	368	--	368
1420	Capitalized Bond and Other Debt Issuance Costs	1,730,373	--	1,730,373
1490	Other Current Assets	8,801	--	8,801
Capital Assets:				
1510	Land	8,692,598	--	8,692,598
1520	Buildings and Improvements, Net	184,990,641	--	184,990,641
1530	Furniture and Equipment, Net	551,694	--	551,694
1000	Total Assets	<u>239,430,444</u>	<u>586,400</u>	<u>240,016,844</u>
LIABILITIES:				
2110	Accounts Payable	2,906,556	3,670	2,910,226
2140	Interest Payable	3,618,003	--	3,618,003
2165	Accrued Liabilities	7,377,353	63,132	7,440,485
2180	Due to Other Governments	970,827	--	970,827
Noncurrent Liabilities:				
2501	Due Within One Year	2,832,519	--	2,832,519
2502	Due in More Than One Year	204,988,827	--	204,988,827
2000	Total Liabilities	<u>222,694,085</u>	<u>66,802</u>	<u>222,760,887</u>
NET ASSETS				
3200	Invested in Capital Assets, Net of Related Debt	5,282,477	--	5,282,477
Restricted For:				
3820	Federal and State Programs	820,963	--	820,963
3850	Debt Service	5,455,083	--	5,455,083
3860	Capital Projects	1,695,791	--	1,695,791
3870	Campus Activities	393,126	--	393,126
3900	Unrestricted	3,088,919	519,598	3,608,517
3000	Total Net Assets	<u>\$ 16,736,359</u>	<u>\$ 519,598</u>	<u>\$ 17,255,957</u>

The accompanying notes are an integral part of this statement.

BASTROP INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	Functions/Programs	1 Expenses	3 Charges for Services	4 Program Revenues Operating Grants and Contributions
	Governmental Activities:			
11	Instruction	\$ 43,621,989	\$ 171,764	\$ 7,667,257
12	Instructional Resources and Media Services	754,343	--	34,262
13	Curriculum and Staff Development	1,352,119	--	832,770
21	Instructional Leadership	588,186	--	204,584
23	School Leadership	4,088,618	--	347,632
31	Guidance, Counseling, & Evaluation Services	3,154,717	--	1,066,860
32	Social Work Services	152,318	--	40,691
33	Health Services	592,951	--	45,265
34	Student Transportation	4,729,605	--	239,698
35	Food Service	5,033,144	1,106,209	3,808,288
36	Cocurricular/Extracurricular Activities	2,663,033	77,598	59,597
41	General Administration	1,999,193	--	101,298
51	Plant Maintenance and Operations	7,300,126	--	373,217
52	Security and Monitoring Services	260,264	--	11,424
53	Data Processing Services	749,104	--	39,573
61	Community Services	1,681,324	--	1,540,862
72	Interest on Long-term Debt	8,773,844	--	1,255,015
73	Bond Issuance Costs and Fees	15,151	--	--
93	Payments Related to Shared Services Arrangements	3,926,449	--	2,441,912
99	Other Intergovernmental Charges	607,229	--	31,171
TG	Total Governmental Activities	<u>92,043,707</u>	<u>1,355,571</u>	<u>20,141,376</u>
	Business-type Activities:			
01	Performing Arts Center	15,870	--	--
03	High School Bistro	104,714	101,329	--
04	Community Education	19,840	--	--
06	STARS After School Program	499,880	489,740	--
07	Employee Child Care	189,646	211,161	--
TB	Total Business-type Activities	<u>829,950</u>	<u>802,230</u>	<u>--</u>
TP	Total Primary Government	<u>\$ 92,873,657</u>	<u>\$ 2,157,801</u>	<u>\$ 20,141,376</u>
	General Revenues:			
MT	Property Taxes, Levied for General Purposes			
DT	Property Taxes, Levied for Debt Service			
IE	Investment Earnings			
GC	Grants and Contributions Not Restricted to Specific Programs			
MI	Miscellaneous			
TR	Total General Revenues			
CN	Change in Net Assets			
NB	Net Assets - Beginning			
NE	Net Assets - Ending			

The accompanying notes are an integral part of this statement.

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8

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (35,782,968)	\$ --	\$ (35,782,968)
(720,081)	--	(720,081)
(519,349)	--	(519,349)
(383,602)	--	(383,602)
(3,740,986)	--	(3,740,986)
(2,087,857)	--	(2,087,857)
(111,627)	--	(111,627)
(547,686)	--	(547,686)
(4,489,907)	--	(4,489,907)
(118,647)	--	(118,647)
(2,525,838)	--	(2,525,838)
(1,897,895)	--	(1,897,895)
(6,926,909)	--	(6,926,909)
(248,840)	--	(248,840)
(709,531)	--	(709,531)
(140,462)	--	(140,462)
(7,518,829)	--	(7,518,829)
(15,151)	--	(15,151)
(1,484,537)	--	(1,484,537)
(576,058)	--	(576,058)
<u>(70,546,760)</u>	<u>--</u>	<u>(70,546,760)</u>
--	\$ (15,870)	(15,870)
--	(3,385)	(3,385)
--	(19,840)	(19,840)
--	(10,140)	(10,140)
--	21,515	21,515
<u>--</u>	<u>(27,720)</u>	<u>(27,720)</u>
<u>(70,546,760)</u>	<u>(27,720)</u>	<u>(70,574,480)</u>
27,439,056	--	27,439,056
12,058,884	--	12,058,884
41,187	--	41,187
30,464,910	--	30,464,910
964,487	46,572	1,011,059
<u>70,968,524</u>	<u>46,572</u>	<u>71,015,096</u>
421,764	18,852	440,616
16,314,595	500,746	16,815,341
<u>\$ 16,736,359</u>	<u>\$ 519,598</u>	<u>\$ 17,255,957</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2012

Data Control Codes	10	
	General Fund	Special Education
ASSETS:		
1110 Cash and Cash Equivalents	\$ 11,676,281	\$ --
1120 Current Investments	--	4,173,035
1225 Taxes Receivable	4,520,823	--
1230 Allowance for Uncollected Taxes	(1,404,362)	--
1240 Due from Other Governments	8,006,244	19
1260 Due from Other Funds	5,212,018	--
1290 Other Receivables	48,334	77,457
1300 Inventories	78,178	--
1410 Prepaid items	--	--
1490 Other Current Assets	45	--
1000 Total Assets	<u>\$ 28,137,561</u>	<u>\$ 4,250,511</u>
LIABILITIES:		
Current Liabilities:		
2110 Accounts Payable	\$ 1,504,241	\$ 924,538
2150 Payroll Deductions & Withholdings	665,493	26,575
2160 Accrued Wages Payable	4,985,826	257,122
2170 Due to Other Funds	9,313	3,042,276
2180 Due to Other Governments	727,672	--
2300 Deferred Revenue	3,116,461	--
2000 Total Liabilities	<u>11,009,006</u>	<u>4,250,511</u>
FUND BALANCES:		
Nonspendable Fund Balances:		
3410 Inventories	78,178	--
Restricted Fund Balances:		
3450 Federal/State Funds Grant Restrictions	--	--
3470 Capital Acquisitions & Contractual Obligations	--	--
3480 Retirement of Long-Term Debt	--	--
3490 Other Restrictions of Fund Balance	--	--
Committed Fund Balances:		
3510 Construction	1,810,919	--
3520 Claims and Judgments	100,000	--
3530 Capital Expenditures for Equipment	750,000	--
Assigned Fund Balances:		
3590 Other Assigned Fund Balance	1,585,000	--
3600 Unassigned	12,804,458	--
3000 Total Fund Balances	<u>17,128,555</u>	<u>--</u>
4000 Total Liabilities and Fund Balances	<u>\$ 28,137,561</u>	<u>\$ 4,250,511</u>

50	Other Governmental Funds	98 Total Governmental Funds
Debt Service		
\$ 61	\$ 908,387	\$ 12,584,729
5,677,209	3,072,688	12,922,932
1,557,110	--	6,077,933
(309,676)	--	(1,714,038)
921	2,329,839	10,337,023
298,151	5,139	5,515,308
--	162,620	288,411
--	48,514	126,692
--	368	368
--	8,756	8,801
<u>\$ 7,223,776</u>	<u>\$ 6,536,311</u>	<u>\$ 46,148,159</u>
\$ --	\$ 474,311	\$ 2,903,090
--	96,091	788,159
--	643,585	5,886,533
298,151	2,165,568	5,515,308
223,108	20,047	970,827
1,247,434	--	4,363,895
<u>1,768,693</u>	<u>3,399,602</u>	<u>20,427,812</u>
--	48,514	126,692
--	820,363	820,363
--	1,695,791	1,695,791
5,455,083	--	5,455,083
--	572,042	572,042
--	--	1,810,919
--	--	100,000
--	--	750,000
--	--	1,585,000
--	--	12,804,458
<u>5,455,083</u>	<u>3,136,710</u>	<u>25,720,348</u>
<u>\$ 7,223,776</u>	<u>\$ 6,536,312</u>	<u>\$ 46,148,160</u>

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BASTROP INDEPENDENT SCHOOL DISTRICT

*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012*

Total fund balances - governmental funds balance sheet	\$ 25,720,348
Amounts reported for governmental activities in the Statement of Net Assets ("SNA") are different because:	
Capital assets used in governmental activities are not reported in the funds.	194,234,934
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	4,363,893
The assets and liabilities of internal service funds are included in governmental activities in the SNA.	2,126,160
Payables for bond principal which are not due in the current period are not reported in the funds.	(206,090,973)
Payables for bond interest which are not due in the current period are not reported in the funds.	<u>(3,618,003)</u>
Net assets of governmental activities - Statement of Net Assets	\$ <u>16,736,359</u>

The accompanying notes are an integral part of this statement.

BASTROP INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

		10	
Data Control Codes		General Fund	Special Education
REVENUES:			
5700	Local and Intermediate Sources	\$ 30,005,396	\$ 73,321
5800	State Program Revenues	32,211,812	1,349,419
5900	Federal Program Revenues	140,357	2,321,806
5020	Total Revenues	62,357,565	3,744,546
EXPENDITURES:			
Current:			
0011	Instruction	34,631,824	1,581,985
0012	Instructional Resources and Media Services	666,846	--
0013	Curriculum and Staff Development	502,737	18,208
0021	Instructional Leadership	244,730	330,893
0023	School Leadership	3,573,336	--
0031	Guidance, Counseling, & Evaluation Services	1,617,438	740,307
0032	Social Work Services	116,609	--
0033	Health Services	507,243	33,205
0034	Student Transportation	4,669,429	--
0035	Food Service	--	--
0036	Cocurricular/Extracurricular Activities	1,667,396	--
0041	General Administration	1,973,327	--
0051	Plant Maintenance and Operations	7,285,124	6,797
0052	Security and Monitoring Services	235,798	--
0053	Data Processing Services	742,684	2,500
0061	Community Services	142,121	--
0071	Principal on Long-term Debt	--	--
0072	Interest on Long-term Debt	--	--
0073	Bond Issuance Costs and Fees	--	--
0081	Capital Outlay	2,408	--
0093	Payments to Shared Service Arrangements	895,747	745,389
0099	Other Intergovernmental Charges	607,229	--
6030	Total Expenditures	60,082,026	3,459,284
1100	Excess (Deficiency) of Revenues Over (Under)		
1100	Expenditures	2,275,539	285,262
Other Financing Sources and (Uses):			
7911	Capital-Related Debt Issued (Regular Bonds)	--	--
7915	Transfers In	2,237,393	--
7916	Premium or Discount on Issuance of Bonds	--	--
8911	Transfers Out	(309,798)	(2,237,393)
8949	Other Uses	--	--
7080	Total Other Financing Sources and (Uses)	1,927,595	(2,237,393)
EXTRAORDINARY ITEM:			
8913	Extraordinary Item (Use)	--	(762,438)
1200	Net Change in Fund Balances	4,203,134	(2,714,569)
0100	Fund Balances - Beginning	12,925,421	2,714,569
3000	Fund Balances - Ending	\$ 17,128,555	\$ --

The accompanying notes are an integral part of this statement.

50	Other Governmental Funds	98 Total Governmental Funds
Debt Service		
\$ 12,299,864	\$ 1,479,985	\$ 43,858,566
1,255,015	1,034,364	35,850,610
--	12,293,513	14,755,676
<u>13,554,879</u>	<u>14,807,862</u>	<u>94,464,852</u>
--	5,095,000	41,308,809
--	31	666,877
--	821,551	1,342,496
--	7,313	582,936
--	164,200	3,737,536
--	643,905	3,001,650
--	34,705	151,314
--	--	540,448
--	--	4,669,429
--	4,836,231	4,836,231
--	(5,909)	1,661,487
--	--	1,973,327
--	47,342	7,339,263
--	--	235,798
--	--	745,184
--	1,534,627	1,676,748
2,744,840	--	2,744,840
11,440,982	--	11,440,982
165,894	--	165,894
--	26,450	28,858
--	1,522,875	3,164,011
--	--	607,229
<u>14,351,716</u>	<u>14,728,321</u>	<u>92,621,347</u>
<u>(796,837)</u>	<u>79,541</u>	<u>1,843,505</u>
8,829,226	--	8,829,226
309,523	275	2,547,191
963,145	--	963,145
--	--	(2,547,191)
<u>(9,641,628)</u>	<u>(275)</u>	<u>(9,641,903)</u>
<u>460,266</u>	<u>--</u>	<u>150,468</u>
--	--	(762,438)
<u>(336,571)</u>	<u>79,541</u>	<u>1,231,535</u>
5,791,654	3,057,169	24,488,813
<u>\$ 5,455,083</u>	<u>\$ 3,136,710</u>	<u>\$ 25,720,348</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012*

Net change in fund balances - total governmental funds	\$ 1,231,535
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	186,762
The depreciation of capital assets used in governmental activities is not reported in the funds.	(4,710,238)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(1,999,380)
Revenues in the SOA not providing current financial resources are not reported as revenues in the funds.	(9,792,371)
Expenses not requiring the use of current financial resources are not reported as expenditures in the funds.	9,641,628
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	2,744,840
Bond issuance costs and similar items are amortized in the SOA but not in the funds.	431,208
The accretion of interest on capital appreciation bonds is not reported in the funds.	150,743
(Increase) decrease in accrued interest from beginning of period to end of period.	2,235,929
The net revenue (expense) of internal service funds is reported with governmental activities.	301,108
Change in net assets of governmental activities - Statement of Activities	\$ <u>421,764</u>

The accompanying notes are an integral part of this statement.

BASTROP INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2012

Data Control Codes		Nonmajor Enterprise Funds	Internal Service Funds
	ASSETS:		
	Current Assets:		
1110	<i>Cash and Cash Equivalents</i>	\$ 586,400	\$ 960,291
1120	<i>Investments</i>	--	1,871,996
	Total Current Assets	586,400	2,832,287
1000	Total Assets	\$ 586,400	\$ 2,832,287
	LIABILITIES:		
	Current Liabilities:		
2110	<i>Accounts Payable</i>	\$ 3,670	\$ 3,466
2150	<i>Payroll Deduction & Withholdings</i>	9,185	--
2160	<i>Accrued Wages Payable</i>	53,947	--
2200	<i>Accrued Expenditures/Expenses</i>	--	702,661
	Total Current Liabilities	66,802	706,127
2000	Total Liabilities	66,802	706,127
	NET ASSETS:		
3000	Total Net Assets	\$ 519,598	\$ 2,126,160

The accompanying notes are an integral part of this statement.

BASTROP INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		Nonmajor Enterprise Funds	Internal Service Funds
	OPERATING REVENUES:		
5700	<i>Local and Intermediate Sources</i>	\$ 848,802	\$ 610,275
5020	Total Revenues	<u>848,802</u>	<u>610,275</u>
	OPERATING EXPENSES:		
6100	<i>Payroll Costs</i>	628,950	31,262
6200	<i>Professional and Contracted Services</i>	50,503	43,274
6300	<i>Supplies and Materials</i>	105,758	38,547
6400	<i>Other Operating Costs</i>	44,739	196,084
6030	Total Expenses	<u>829,950</u>	<u>309,167</u>
1300	Change in Net Assets	18,852	301,108
0100	Total Net Assets - Beginning	500,746	1,825,052
3300	Total Net Assets - Ending	<u>\$ 519,598</u>	<u>\$ 2,126,160</u>

The accompanying notes are an integral part of this statement.

BASTROP INDEPENDENT SCHOOL DISTRICT

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Nonmajor Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:		
<i>Cash Received from Miscellaneous Sources</i>	\$ 860,978	\$ 608,474
<i>Cash Received from Interest Earnings</i>	--	2,116
<i>Cash Payments to Employees and Suppliers</i>	(832,135)	(378,118)
Net Cash Provided (Used) by Operating Activities	<u>28,843</u>	<u>232,472</u>
Net Increase (Decrease) in Cash and Cash Equivalents	28,843	232,472
Cash and Cash Equivalents at Beginning of Year	<u>557,560</u>	<u>2,599,814</u>
Cash and Cash Equivalents at End of Year	<u><u>586,402</u></u>	<u><u>2,832,286</u></u>
Reconciliation of Operating Income to Net Cash		
Provided by Operating Activities:		
Operating Income (Loss)	18,852	301,108
Adjustments to Reconcile Operating Income to Net Cash		
Provided by Operating Activities	--	--
Change in Assets and Liabilities:		
<i>Decrease (Increase) in Receivables</i>	12,175	315
<i>Increase (Decrease) in Interfund Payables</i>	(1,769)	--
<i>Increase (Decrease) in Accrued Expenses</i>	(416)	(68,951)
Total Adjustments	<u>9,990</u>	<u>(68,636)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 28,843</u></u>	<u><u>\$ 232,472</u></u>

The accompanying notes are an integral part of this statement.

BASTROP INDEPENDENT SCHOOL DISTRICT*STATEMENT OF FIDUCIARY NET ASSETS**FIDUCIARY FUNDS**JUNE 30, 2012*Data
Control
Codes

	Private-purpose Trust Fund	Agency Fund
	Private Scholarship Trust	Student Activity
ASSETS:		
1110 <i>Cash and Cash Equivalents</i>	\$ 3,222	\$ 48,606
1120 <i>Current Investments</i>	237,731	127,086
1000 <i>Total Assets</i>	<u>\$ 240,953</u>	<u>\$ 175,692</u>
LIABILITIES:		
Current Liabilities:		
2110 <i>Accounts Payable</i>	\$ --	\$ 18,133
2190 <i>Due to Student Groups</i>	--	157,559
2000 <i>Total Liabilities</i>	<u>--</u>	<u>175,692</u>
NET ASSETS		
3800 <i>Held in Trust</i>	240,953	--
3000 <i>Total Net Assets</i>	<u>\$ 240,953</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

BASTROP INDEPENDENT SCHOOL DISTRICT*STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**FIDUCIARY FUNDS**FOR THE YEAR ENDED JUNE 30, 2012*

	Private- Scholarship Trust
Additions:	
Investment Income	\$ 242
Gifts and Bequests	600
Total Additions	<u>842</u>
Deductions:	
Scholarship Awards	<u>2,000</u>
Total Deductions	<u>2,000</u>
Change in Net Assets	(1,158)
Net Assets-Beginning of the Year	242,111
Net Assets-End of the Year	<u>\$ 240,953</u>

The accompanying notes are an integral part of this statement.

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BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

A. Summary of Significant Accounting Policies

The basic financial statements of Bastrop Independent School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide ("Resource Guide"). The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB in its Statement No. 14, "The Financial Reporting Entity" and there are no component units included within the reporting entity.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Financial Statements: The statement of Net Assets and the Statement of Activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

Debt Service Fund: This fund is used to account for the re-payment of bonded debt which is approved by the voters of the District. This fund is required by law to be a budgeted fund.

In addition, the District reports the following fund types:

Internal Service Funds: These funds are used to account for revenues and expenses related to services provided to parties inside the District. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

Private-Purpose Trust Funds: These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District does not consider revenues collected after its year-end to be available in the current period. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

Under GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," all proprietary funds will continue to follow Financial Accounting Standards Board ("FASB") standards issued on or before November 30, 1989. However, from that date forward, proprietary funds will have the option of either 1) choosing not to apply future FASB standards (including amendments of earlier pronouncements), or 2) continuing to follow new FASB pronouncements unless they conflict with GASB guidance. The District has chosen not to apply future FASB standards.

3. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

b. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

c. Inventories and Prepaid Items

The District records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory in accordance with the Resource Guide.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

e. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

g. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

h. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with TEA in order to insure accuracy in building a statewide database for policy development and funding plans.

i. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

Violation

Expenditures in excess of appropriations in functions 13,23,34,35,51,52,61,and 71.

Action Taken

The District will amend the budget during the year in anticipation of final expenditures.

2. Deficit Fund Balance or Fund Net Assets of Individual Funds

None.

C. Deposits and Investments

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

1. Cash Deposits:

At June 30, 2012, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$1,421,004 and the bank balance was \$1,909,977. The District's cash deposits at June 30, 2012 and during the period ended June 30, 2012, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies. The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The District's investments at June 30, 2012 are shown below.

Investment or Investment Type	Maturity	Ratings	Fair Value	Percentage
TexPool Investment Pool	28 days average	AAAm	\$ 14,346,040	51%
Lone Star Investment Pool	24 days average	AAA	13,577,201	49%
Total Investments			<u>\$ 27,923,241</u>	<u>100%</u>

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District's investments were rated as noted above.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District investments representing more than 5% of total investments are disclosed above.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The District's investments in Pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

D. Capital Assets

Capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 8,691,148	\$ 1,450	\$ --	\$ 8,692,598
Construction in progress	1,123,958	--	1,123,958	--
Total capital assets not being depreciated	9,815,106	1,450	1,123,958	8,692,598
<i>Capital assets being depreciated:</i>				
Buildings and improvements	221,845,081	1,151,366	--	222,996,447
Furniture & Equipment	3,538,967	157,904	--	3,696,871
Total capital assets being depreciated	225,384,048	1,309,270	--	226,693,318
Less accumulated depreciation for:				
Buildings and improvements	(33,430,106)	(4,575,700)	--	(38,005,806)
Furniture & Equipment	(3,010,640)	(134,536)	--	(3,145,176)
Total accumulated depreciation	(36,440,746)	(4,710,236)	--	(41,150,982)
Total capital assets being depreciated, net	188,943,302	(3,400,966)	--	185,542,336
Governmental activities capital assets, net	\$ 198,758,408	\$ (3,399,516)	\$ 1,123,958	\$ 194,234,934

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Depreciation was charged to functions as follows:

Instruction	\$ 2,644,929
Instructional Resources and Media Services	87,466
Curriculum and Staff Development	9,623
Instructional Leadership	17,140
School Leadership	351,082
Guidance, Counseling, & Evaluation Services	153,067
Social Work Services	1,004
Health Services	52,503
Student Transportation	60,176
Food Services	196,913
Extracurricular Activities	1,015,978
General Administration	25,866
Plant Maintenance and Operations	52,212
Security and Monitoring Services	24,466
Data Processing Services	3,920
Community Services	13,893
	<u>\$ 4,710,236</u>

E. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at June 30, 2012, consisted of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Special Revenue Funds	\$ 5,212,018	Short-term loans
Debt Service	Debt Service	298,151	Short-term loans
Special Revenue Funds	Special Revenue Funds	5,139	Short-term loans
	Total	<u>\$ 5,515,308</u>	

All amounts due are scheduled to be repaid within one year.

2. Transfers To and From Other Funds

Transfers to and from other funds at June 30, 2012, consisted of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Debt Service Fund	\$ 309,523	Supplement other funds sources
General Fund	Special Revenue Funds	275	Supplement other funds sources
SSA Special Education Fund	General Fund	2,237,393	Closing of Coop
	Total	<u>\$ 2,547,190</u>	

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

F. Long-Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2012, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental activities:</u>					
General obligation bonds	\$ 179,073,785	\$ --	\$ 2,504,840	\$ 176,568,945	2,577,519
Maintenance Tax Notes	1,355,000	--	240,000	1,115,000	255,000
Accum. Accretion on CAB	19,012,575	--	143,685	18,868,890	--
Premium on Bonded Debt	11,548,976	963,145	471,828	12,040,293	--
Other Debt items	--	(812,402)	40,620	(771,782)	--
Total governmental activities	\$ 210,990,337	\$ 150,743	\$ 3,400,973	\$ 207,821,346	\$ 2,832,519
Reported as Due Within One Year				\$ 2,832,519	
Reported as Due in More Than One Year				\$ 204,988,827	

General obligation bonds

Issue	Interest	
1994 Refund.	5.55-5.6%	\$ 155,000
1997 Bldg.	5.4-5.7%	4,362,072
2002 Bldg.	4.91-6.11%	2,620,000
2002 Refund.	4.91-6.11%	555,349
2002 Bldg.	4.91-6.11%	3,147,298
2005 Refund.	3.5-5.0%	17,700,000
2005A Bldg.	4.0-5.0%	22,415,000
2005B Refund.	4.05-4.6%	450,000
2006 Refund.	4.03-5.25%	16,155,000
2006 Bldg.	4.03-5.25%	4,675,000
2006A Refund.	4.0-3.75%	1,690,000
2006A Bldg.	4.0-3.75%	40,000
2007 Bldg.	4.0-5.25%	56,980,000
2009 Bldg.	4.8-5.0%	36,990,000
2009 Bldg.	4.8-5.0%	--
2011 Refund.	2-4.63%	8,634,226
		\$ 176,568,945

Maintenance Tax Notes

2000 Maint.	5.0-5.2%	\$ 1,115,000
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BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

2. Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2012, are as follows:

Year Ending June 30,	General Obligation		
	Principal	Interest	Total
2013	\$ 2,577,519	\$ 10,104,147	\$ 12,681,666
2014	2,198,064	11,604,813	13,802,878
2015	2,130,943	11,681,790	13,812,734
2016	2,223,403	11,753,552	13,976,955
2017	2,553,077	11,430,506	13,983,583
2018-2022	16,766,364	53,132,572	69,898,936
2023-2027	32,505,000	37,385,788	69,890,788
2028-2032	31,408,275	37,717,397	69,125,672
2033-2037	51,376,086	17,761,893	69,137,979
2038-2042	32,830,000	4,403,919	37,233,919
Totals	<u>\$ 176,568,945</u>	<u>\$ 206,976,377</u>	<u>\$ 383,545,322</u>

Year Ending June 30,	Maintenance Tax Notes		
	Principal	Interest	Total
2013	\$ 255,000	\$ 57,522	\$ 312,522
2014	270,000	44,518	314,518
2015	285,000	30,680	315,680
2016	305,000	15,860	320,860
Totals	<u>\$ 1,115,000</u>	<u>\$ 148,580</u>	<u>\$ 1,263,580</u>

3. Advance Refunding of Debt

GASB Statement No. 7, "Advance Refundings Resulting in Defeasance of Debt," provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of June 30, 2012, outstanding balances of bond issues that have been refunded and defeased in-substance by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments are as follows.

Bond Issue	Amount
Series 2002 refunded by Series 2006	\$ 16,621,395
Series 2002 refunded by Series 2011	8,289,442
Series 2007 refunded by series 2011	540,000
Total	<u>\$ 25,450,837</u>

The District issued the Bastrop Independent School District Unlimited Tax Refunding Bonds, Series 2011, dated December 2, 2011, in the amount of \$8,829,226. Proceeds from the sale of the bonds will be used to partially refund the District's Unlimited Tax School Building Bonds, Series 2002, 2007 at a lower interest rate of 3.93%. The District actual savings for years 2012-13 is \$1,568,956.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

G. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2012, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

H. Pension Plan

1. Plan Description

The District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan and may, under certain circumstances, grant special authority to the TRS Board of Trustees. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by downloading the report from the TRS internet website, www.trs.state.tx.us, under the TRS Publications heading, by calling the TRS Communications Department at 1-800-223-8778, or by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701.

2. Funding Policy

Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system. (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4% for fiscal years 2012, 2011, and 2010, and a state contribution rate of 6.0% for fiscal years 2011-2012 and 6.644% for fiscal year 2010-2011. In certain instances the reporting district is required to make all or a portion of the state's 6.0% contribution, limited to 6.644% for the period of January 2010 through August 2011. State contributions to TRS made on behalf of the District's employees for the years ending June 30, 2012, 2011 and 2010 were \$3,031,104, \$2,980,042 and \$2,951,284, respectively. The District paid additional state contributions for the years ending August 31, 2012, 2011 and 2010 in the amount of \$618,011, \$753,450 and \$694,381, respectively, on portion of the employees' salaries that exceeded the statutory minimum.

I. Health Care Coverage

During the year ended June 30, 2012, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$325 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a third party administrator, acting on behalf of the licensed insurer. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

The contract between the District and the third party administrator is renewable September 1, 2012, and terms of coverage and premium costs are included in the contractual provisions.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

J. Retiree Health Plan

1. Plan Description

The District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the Teacher Retirement System of Texas. TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by visiting the TRS Web site at www.trs.state.tx.us, by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

2. Funding Policy

Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. The State of Texas and active public school employee contribution rates were 1.0% and 0.65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at 0.55% for fiscal years 2012, 2011 and 2010. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. For the years ended June 30, 2012, 2011, and 2010, the State's contributions to TRS-Care were \$44,013, \$392,596, and \$390,760, respectively, the active member contributions were \$307,847, \$255,187, and \$253,994, respectively, and the District's contributions were \$260,486, \$215,928, and \$214,918, respectively, which equaled the required contributions each year.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2012, 2011, and 2010, the subsidy payments received by TRS-Care on behalf of the District were \$103,998, \$113,067, and \$126,858, respectively.

The Early Retiree Reinsurance Program (ERRP) is a provision of the Patient Protection and Affordable Care Act (PPACA) and provides reimbursement to plan sponsors for a portion of the cost of providing health benefits to retirees between the ages of 55-64 and their covered dependents regardless of age. An "early retiree" is defined as a plan participant, ages 55-64, who is not eligible for Medicare and is not covered by an active employee of the plan sponsor. This temporary program is available to help employers continue to provide coverage to early retirees. Funds were allocated to reporting agencies using the same basis as the Medicare Part D - On Behalf Payments. For the fiscal year ended June 30, 2012, payments received by TRS-Care on behalf of the District was \$114,676.

BASTROP INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

K. Commitments and Contingencies

1. Contingencies

The District participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

2. Litigation

No reportable litigation was pending against the District at June 30, 2012.

L. Shared Services Arrangements

Shared Services Arrangement - Fiscal Agent

The District is the fiscal agent for a Shared Services Arrangement ("SSA") which provides services to the member districts listed below. All services are provided by the fiscal agent. The member districts provide the funds to the fiscal agent. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in a special revenue fund and will be accounted for using Model 3 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

<u>Member Districts</u>	<u>Expenditures</u>
Bastrop ISD	\$ 2,344,267
La Grange ISD	530,889
Smithville ISD	584,127
Total	<u>\$ 3,459,284</u>

M. Commitments Under Noncapitalized Leases

Commitments under operating (noncapitalized) lease agreements for facilities and equipment provide for minimum future rental payments as of June 30, 2012., are as follows:

Rental Expenditures in 2012 \$ 249,651

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Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

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BASTROP INDEPENDENT SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2012

EXHIBIT G-1

Page 1 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES:					
5700	Local and Intermediate Sources	\$ 28,466,219	\$ 29,180,831	\$ 30,005,396	\$ 824,565
5800	State Program Revenues	31,356,212	31,986,845	32,211,812	224,967
5900	Federal Program Revenues	177,500	177,500	140,357	(37,143)
5020	Total Revenues	59,999,931	61,345,176	62,357,565	1,012,389
EXPENDITURES:					
Current:					
Instruction & Instructional Related Services:					
0011	Instruction	35,616,040	35,902,407	34,631,824	1,270,583
0012	Instructional Resources and Media Services	732,834	736,804	666,846	69,958
0013	Curriculum and Staff Development	450,541	501,873	502,737 *	(864)
	Total Instruction & Instr. Related Services	36,799,415	37,141,084	35,801,407	1,339,677
Instructional and School Leadership:					
0021	Instructional Leadership	272,368	247,368	244,730	2,638
0023	School Leadership	3,537,319	3,556,284	3,573,336 *	(17,052)
	Total Instructional & School Leadership	3,809,687	3,803,652	3,818,066	(14,414)
Support Services - Student (Pupil):					
0031	Guidance, Counseling and Evaluation Services	1,624,211	1,641,640	1,617,438	24,202
0032	Social Work Services	121,693	121,693	116,609	5,084
0033	Health Services	577,770	582,584	507,243	75,341
0034	Student (Pupil) Transportation	4,415,428	4,648,288	4,669,429 *	(21,141)
0035	Food Services	53,526	53,526	--	53,526
0036	Cocurricular/Extracurricular Activities	1,430,798	1,750,050	1,667,396	82,654
	Total Support Services - Student (Pupil)	8,223,426	8,797,781	8,578,115	219,666
Administrative Support Services:					
0041	General Administration	1,846,502	1,974,658	1,973,327	1,331
	Total Administrative Support Services	1,846,502	1,974,658	1,973,327	1,331
Support Services - Nonstudent Based:					
0051	Plant Maintenance and Operations	6,693,249	7,133,876	7,285,124 *	(151,248)
0052	Security and Monitoring Services	209,090	209,090	235,798 *	(26,708)
0053	Data Processing Services	737,810	747,810	742,684	5,126
	Total Support Services - Nonstudent Based	7,640,149	8,090,776	8,263,606	(172,830)
Ancillary Services:					
0061	Community Services	54,527	56,725	142,121 *	(85,396)
	Total Ancillary Services	54,527	56,725	142,121	(85,396)
Capital Outlay:					
0081	Capital Outlay	--	55,080	2,408	52,672
	Total Capital Outlay	--	55,080	2,408	52,672
Intergovernmental Charges:					
0093	Payments to Fiscal Agent/Member Dist.-SSA	896,003	896,003	895,747	256
0099	Other Intergovernmental Charges	618,074	618,074	607,229	10,845
	Total Intergovernmental Charges	1,514,077	1,514,077	1,502,976	11,101
6030	Total Expenditures	59,887,783	61,433,833	60,082,026	1,351,807

BASTROP INDEPENDENT SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2012

EXHIBIT G-1

Page 2 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	112,148	(88,657)	2,275,539	2,364,196
	Other Financing Sources (Uses):				
7915	Transfers In	--	--	2,237,393	2,237,393
8911	Transfers Out	(309,523)	(309,523)	(309,798)	(275)
7080	Total Other Financing Sources and (Uses)	(309,523)	(309,523)	1,927,595	2,237,118
1200	Net Change in Fund Balance	(197,375)	(398,180)	4,203,134	4,601,314
0100	Fund Balance - Beginning	12,925,421	12,925,421	12,925,421	--
3000	Fund Balance - Ending	\$ 12,728,046	\$ 12,527,241	\$ 17,128,555	\$ 4,601,314

Notes to Required Supplementary Information:

1. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

*2. Expenditures exceeded appropriations at the legal level of control.

*Combining Statements and Budget Comparisons
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

Data Control Codes	Special Revenue Funds	Capital Project Funds	Permanent Fund Bastrop Education Fund Grants	Total Nonmajor Governmental Funds (See Exhibit C-1)
ASSETS:				
1110 <i>Cash and Cash Equivalents</i>	\$ 642,298	\$ 87,390	\$ 178,699	\$ 908,387
1120 <i>Current Investments</i>	1,456,490	1,616,198	--	3,072,688
1240 <i>Due from Other Governments</i>	2,329,839	--	--	2,329,839
1260 <i>Due from Other Funds</i>	739	4,400	--	5,139
1290 <i>Other Receivables</i>	162,620	--	--	162,620
1300 <i>Inventories</i>	48,514	--	--	48,514
1410 <i>Prepaid items</i>	368	--	--	368
1490 <i>Other Current Assets</i>	8,756	--	--	8,756
1000 <i>Total Assets</i>	<u>\$ 4,649,624</u>	<u>\$ 1,707,988</u>	<u>\$ 178,699</u>	<u>\$ 6,536,311</u>
LIABILITIES:				
Current Liabilities:				
2110 <i>Accounts Payable</i>	\$ 467,027	\$ 7,284	\$ --	\$ 474,311
2150 <i>Payroll Deductions & Withholdings</i>	96,091	--	--	96,091
2160 <i>Accrued Wages Payable</i>	643,585	--	--	643,585
2170 <i>Due to Other Funds</i>	2,160,655	4,913	--	2,165,568
2180 <i>Due to Other Governments</i>	20,047	--	--	20,047
2000 <i>Total Liabilities</i>	<u>3,387,405</u>	<u>12,197</u>	<u>--</u>	<u>3,399,602</u>
FUND BALANCES:				
Nonspendable Fund Balances:				
3410 <i>Inventories</i>	48,514	--	--	48,514
Restricted Fund Balances:				
3450 <i>Federal/State Funds Grant Restrictions</i>	820,363	--	--	820,363
3470 <i>Capital Acquisitions & Contractual Obligations</i>	--	1,695,791	--	1,695,791
3490 <i>Other Restrictions of Fund Balance</i>	393,343	--	178,699	572,042
3000 <i>Total Fund Balances</i>	<u>1,262,220</u>	<u>1,695,791</u>	<u>178,699</u>	<u>3,136,710</u>
4000 <i>Total Liabilities and Fund Balances</i>	<u>\$ 4,649,625</u>	<u>\$ 1,707,988</u>	<u>\$ 178,699</u>	<u>\$ 6,536,312</u>

BASTROP INDEPENDENT SCHOOL DISTRICTCOMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	Special Revenue Funds	Capital Project Funds	Permanent Fund Bastrop Education Fund Grants	Total Nonmajor Governmental Funds (See Exhibit C-2)
REVENUES:				
5700 <i>Local and Intermediate Sources</i>	\$ 1,326,166	\$ 1,654	\$ 152,165	\$ 1,479,985
5800 <i>State Program Revenues</i>	1,034,364	--	--	1,034,364
5900 <i>Federal Program Revenues</i>	12,293,513	--	--	12,293,513
5020 <i>Total Revenues</i>	<u>14,654,043</u>	<u>1,654</u>	<u>152,165</u>	<u>14,807,862</u>
EXPENDITURES:				
Current:				
0011 <i>Instruction</i>	5,007,625	--	87,375	5,095,000
0012 <i>Instructional Resources and Media Services</i>	31	--	--	31
0013 <i>Curriculum and Staff Development</i>	819,951	--	1,600	821,551
0021 <i>Instructional Leadership</i>	7,313	--	--	7,313
0023 <i>School Leadership</i>	164,200	--	--	164,200
0031 <i>Guidance, Counseling, & Evaluation Services</i>	643,905	--	--	643,905
0032 <i>Social Work Services</i>	34,705	--	--	34,705
0035 <i>Food Service</i>	4,836,231	--	--	4,836,231
0036 <i>Cocurricular/Extracurricular Activities</i>	(5,909)	--	--	(5,909)
0051 <i>Plant Maintenance and Operations</i>	--	47,342	--	47,342
0061 <i>Community Services</i>	1,534,627	--	--	1,534,627
0081 <i>Capital Outlay</i>	--	26,450	--	26,450
0093 <i>Payments to Shared Service Arrangements</i>	1,522,875	--	--	1,522,875
6030 <i>Total Expenditures</i>	<u>14,565,554</u>	<u>73,792</u>	<u>88,975</u>	<u>14,728,321</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>				
1100 <i>Expenditures</i>	<u>88,489</u>	<u>(72,138)</u>	<u>63,190</u>	<u>79,541</u>
Other Financing Sources and (Uses):				
7915 <i>Transfers In</i>	275	--	--	275
8949 <i>Other Uses</i>	(275)	--	--	(275)
7080 <i>Total Other Financing Sources and (Uses)</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1200 <i>Net Change in Fund Balances</i>	<u>88,489</u>	<u>(72,138)</u>	<u>63,190</u>	<u>79,541</u>
0100 <i>Fund Balances - Beginning</i>	<u>1,173,731</u>	<u>1,767,929</u>	<u>115,509</u>	<u>3,057,169</u>
3000 <i>Fund Balances - Ending</i>	<u>\$ 1,262,220</u>	<u>\$ 1,695,791</u>	<u>\$ 178,699</u>	<u>\$ 3,136,710</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2012

Data Control Codes		206 Homeless Education Project	211 ESEA Title I Improving Basic Programs	212 ESEA Title I, Part C Migrant Children	224 IDEA-B Formula
ASSETS:					
1110	Cash and Cash Equivalents	\$ 534	\$ --	\$ --	\$ 150,024
1120	Current Investments	--	--	--	--
1240	Due from Other Governments	2,031	210,076	17,576	--
1260	Due from Other Funds	--	--	--	--
1290	Other Receivables	36	--	271	--
1300	Inventories	--	--	--	--
1410	Prepaid items	--	--	--	--
1490	Other Current Assets	--	--	--	--
1000	Total Assets	<u>\$ 2,601</u>	<u>\$ 210,076</u>	<u>\$ 17,847</u>	<u>\$ 150,024</u>
LIABILITIES:					
Current Liabilities:					
2110	Accounts Payable	\$ --	\$ 7,639	\$ 2,634	\$ 5,332
2150	Payroll Deductions & Withholdings	50	9,883	233	11,587
2160	Accrued Wages Payable	2,551	83,389	12,658	133,105
2170	Due to Other Funds	--	109,165	2,322	--
2180	Due to Other Governments	--	--	--	--
2000	Total Liabilities	<u>2,601</u>	<u>210,076</u>	<u>17,847</u>	<u>150,024</u>
FUND BALANCES:					
Nonspendable Fund Balances:					
3410	Inventories	--	--	--	--
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	--	--	--	--
3490	Other Restrictions of Fund Balance	--	--	--	--
3000	Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
4000	Total Liabilities and Fund Balances	<u>\$ 2,601</u>	<u>\$ 210,076</u>	<u>\$ 17,847</u>	<u>\$ 150,024</u>

225 IDEA-B Preschool Grant	240 National School Breakfast/Lunch Program	244 Carl D. Perkins Basic Formula Grant	255 ESEA Title II Training & Recruitment	263 English Language Acquisition and Enhancement
\$ --	\$ 59,201	\$ --	\$ 4,039	\$ --
--	1,456,490	--	--	--
--	56,095	9,297	--	19,901
--	--	--	--	--
--	--	--	--	--
--	48,514	--	--	--
--	--	--	--	--
--	8,756	--	--	--
<u>\$ --</u>	<u>\$ 1,629,056</u>	<u>\$ 9,297</u>	<u>\$ 4,039</u>	<u>\$ 19,901</u>
\$ --	\$ 41,601	\$ 987	\$ 4,039	\$ 1,715
--	50,375	--	--	444
--	186,718	--	--	8,630
--	484,676	8,310	--	9,112
--	--	--	--	--
<u>--</u>	<u>763,370</u>	<u>9,297</u>	<u>4,039</u>	<u>19,901</u>
--	48,514	--	--	--
--	817,172	--	--	--
--	--	--	--	--
<u>--</u>	<u>865,686</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ --</u>	<u>\$ 1,629,056</u>	<u>\$ 9,297</u>	<u>\$ 4,039</u>	<u>\$ 19,901</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2012

Data Control Codes	265 21st Century Community Learning Centers	279 Enhancing Education through Technology-ARRA	280 Education for Homeless Children & Youth-ARRA	283 IDEA - Part B Formula - ARRA
ASSETS:				
1110 <i>Cash and Cash Equivalents</i>	\$ --	\$ --	\$ --	\$ --
1120 <i>Current Investments</i>	--	--	--	--
1240 <i>Due from Other Governments</i>	128,891	--	--	--
1260 <i>Due from Other Funds</i>	739	--	--	--
1290 <i>Other Receivables</i>	--	--	--	--
1300 <i>Inventories</i>	--	--	--	--
1410 <i>Prepaid items</i>	--	--	--	132
1490 <i>Other Current Assets</i>	--	--	--	--
1000 <i>Total Assets</i>	<u>\$ 129,630</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 132</u>
LIABILITIES:				
Current Liabilities:				
2110 <i>Accounts Payable</i>	\$ 8,969	\$ --	\$ --	\$ --
2150 <i>Payroll Deductions & Withholdings</i>	145	--	--	--
2160 <i>Accrued Wages Payable</i>	9,346	--	--	--
2170 <i>Due to Other Funds</i>	111,170	--	--	132
2180 <i>Due to Other Governments</i>	--	--	--	--
2000 <i>Total Liabilities</i>	<u>129,630</u>	<u>--</u>	<u>--</u>	<u>132</u>
FUND BALANCES:				
Nonspendable Fund Balances:				
3410 <i>Inventories</i>	--	--	--	--
Restricted Fund Balances:				
3450 <i>Federal/State Funds Grant Restrictions</i>	--	--	--	--
3490 <i>Other Restrictions of Fund Balance</i>	--	--	--	--
3000 <i>Total Fund Balances</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
4000 <i>Total Liabilities and Fund Balances</i>	<u>\$ 129,630</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 132</u>

284	285	287	289	313
IDEA - Part B	ESEA Title 1 Part A	Education	Texas	IDEA-B
Preschool - ARRA	Improving Basic	Jobs	Literacy	Formula
	Programs - ARRA	Fund		
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	725,645	27,644	979,266
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 725,645</u>	<u>\$ 27,644</u>	<u>\$ 979,266</u>
\$ --	\$ --	\$ --	\$ 24,205	\$ 341,146
--	--	--	--	15,200
--	--	--	--	138,282
--	--	725,645	3,439	484,638
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>725,645</u>	<u>27,644</u>	<u>979,266</u>
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 725,645</u>	<u>\$ 27,644</u>	<u>\$ 979,266</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2012

Data Control Codes	314 IDEA-B Preschool	364 IDEA - Part B Formula - ARRA	365 IDEA - Part B Preschool - ARRA	386 Regional Day School for the Deaf
ASSETS:				
1110 Cash and Cash Equivalents	\$ --	\$ --	\$ --	\$ --
1120 Current Investments	--	--	--	--
1240 Due from Other Governments	43,519	--	--	--
1260 Due from Other Funds	--	--	--	--
1290 Other Receivables	--	--	--	--
1300 Inventories	--	--	--	--
1410 Prepaid items	8	228	--	--
1490 Other Current Assets	--	--	--	--
1000 Total Assets	<u>\$ 43,527</u>	<u>\$ 228</u>	<u>\$ --</u>	<u>\$ --</u>
LIABILITIES:				
Current Liabilities:				
2110 Accounts Payable	\$ 17,229	\$ --	\$ --	\$ --
2150 Payroll Deductions & Withholdings	--	--	--	--
2160 Accrued Wages Payable	--	--	--	--
2170 Due to Other Funds	26,298	228	--	--
2180 Due to Other Governments	--	--	--	--
2000 Total Liabilities	<u>43,527</u>	<u>228</u>	<u>--</u>	<u>--</u>
FUND BALANCES:				
Nonspendable Fund Balances:				
3410 Inventories	--	--	--	--
Restricted Fund Balances:				
3450 Federal/State Funds Grant Restrictions	--	--	--	--
3490 Other Restrictions of Fund Balance	--	--	--	--
3000 Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
4000 Total Liabilities and Fund Balances	<u>\$ 43,527</u>	<u>\$ 228</u>	<u>\$ --</u>	<u>\$ --</u>

393 Texas Successful Schools	394 Life Skills Program	397 Advanced Placement Incentives	404 Student Success Initiative	410 State Textbook Fund
\$ 2,534	\$ --	\$ 588	\$ --	\$ 19,961
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
\$ 2,534	\$ --	\$ 588	\$ --	\$ 19,961
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	19,961
--	--	--	--	19,961
--	--	--	--	--
2,534	--	588	--	--
--	--	--	--	--
2,534	--	588	--	--
\$ 2,534	\$ --	\$ 588	\$ --	\$ 19,961

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2012

Data Control Codes	411 Technology Allotment	413 TIF Grant	423 LEP Student Success Initiative	426 Texas Educator Excellence Award Program
ASSETS:				
1110 <i>Cash and Cash Equivalents</i>	\$ 11,583	\$ --	\$ --	\$ 155
1120 <i>Current Investments</i>	--	--	--	--
1240 <i>Due from Other Governments</i>	--	--	--	--
1260 <i>Due from Other Funds</i>	--	--	--	--
1290 <i>Other Receivables</i>	--	--	--	--
1300 <i>Inventories</i>	--	--	--	--
1410 <i>Prepaid items</i>	--	--	--	--
1490 <i>Other Current Assets</i>	--	--	--	--
1000 <i>Total Assets</i>	<u>\$ 11,583</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 155</u>
LIABILITIES:				
Current Liabilities:				
2110 <i>Accounts Payable</i>	\$ 11,583	\$ --	\$ --	\$ --
2150 <i>Payroll Deductions & Withholdings</i>	--	--	--	--
2160 <i>Accrued Wages Payable</i>	--	--	--	--
2170 <i>Due to Other Funds</i>	--	--	--	--
2180 <i>Due to Other Governments</i>	--	--	--	86
2000 <i>Total Liabilities</i>	<u>11,583</u>	<u>--</u>	<u>--</u>	<u>86</u>
FUND BALANCES:				
Nonspendable Fund Balances:				
3410 <i>Inventories</i>	--	--	--	--
Restricted Fund Balances:				
3450 <i>Federal/State Funds Grant Restrictions</i>	--	--	--	69
3490 <i>Other Restrictions of Fund Balance</i>	--	--	--	--
3000 <i>Total Fund Balances</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>69</u>
4000 <i>Total Liabilities and Fund Balances</i>	<u>\$ 11,583</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 155</u>

428 High School Allotment	429 State Funded Special Revenue Fund	435 Regional Day School for the Deaf	459 Bastrop County Bootcamp	461 Campus Activity Funds
\$ --	\$ --	\$ 312	\$ --	\$ 393,126
--	--	--	--	--
--	--	109,898	--	--
--	--	--	--	--
--	--	114,055	48,258	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 224,265</u>	<u>\$ 48,258</u>	<u>\$ 393,126</u>
\$ --	\$ --	\$ 284	\$ (336)	\$ --
--	--	7,304	870	--
--	--	59,549	9,332	--
--	--	157,128	38,392	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>224,265</u>	<u>48,258</u>	<u>--</u>
--	--	--	--	--
--	--	--	--	393,126
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>393,126</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 224,265</u>	<u>\$ 48,258</u>	<u>\$ 393,126</u>

BASTROP INDEPENDENT SCHOOL DISTRICT**COMBINING BALANCE SHEET****NONMAJOR SPECIAL REVENUE FUNDS**

JUNE 30, 2012

Data Control Codes	480 NAESP Grant	498 P-16 Partnership	Total Nonmajor Special Revenue Funds (See Exhibit H-1)
ASSETS:			
1110 <i>Cash and Cash Equivalents</i>	\$ 216	\$ 25	\$ 642,298
1120 <i>Current Investments</i>	--	--	1,456,490
1240 <i>Due from Other Governments</i>	--	--	2,329,839
1260 <i>Due from Other Funds</i>	--	--	739
1290 <i>Other Receivables</i>	--	--	162,620
1300 <i>Inventories</i>	--	--	48,514
1410 <i>Prepaid items</i>	--	--	368
1490 <i>Other Current Assets</i>	--	--	8,756
1000 Total Assets	<u>\$ 216</u>	<u>\$ 25</u>	<u>\$ 4,649,624</u>
LIABILITIES:			
Current Liabilities:			
2110 <i>Accounts Payable</i>	\$ --	\$ --	\$ 467,027
2150 <i>Payroll Deductions & Withholdings</i>	--	--	96,091
2160 <i>Accrued Wages Payable</i>	--	25	643,585
2170 <i>Due to Other Funds</i>	--	--	2,160,655
2180 <i>Due to Other Governments</i>	--	--	20,047
2000 Total Liabilities	<u>--</u>	<u>25</u>	<u>3,387,405</u>
FUND BALANCES:			
Nonspendable Fund Balances:			
3410 <i>Inventories</i>	--	--	47,914
Restricted Fund Balances:			
3450 <i>Federal/State Funds Grant Restrictions</i>	--	--	820,963
3490 <i>Other Restrictions of Fund Balance</i>	216	--	393,343
3000 Total Fund Balances	<u>216</u>	<u>--</u>	<u>1,262,220</u>
4000 Total Liabilities and Fund Balances	<u>\$ 216</u>	<u>\$ 25</u>	<u>\$ 4,649,625</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		206 Homeless Education Project	211 ESEA Title I Improving Basic Programs	212 ESEA Title I, Part C Migrant Children	224 IDEA-B Formula
REVENUES:					
5700	Local and Intermediate Sources	\$ --	\$ --	\$ --	\$ --
5800	State Program Revenues	--	--	--	--
5900	Federal Program Revenues	4,473	1,348,086	67,734	948,448
5020	Total Revenues	4,473	1,348,086	67,734	948,448
EXPENDITURES:					
Current:					
0011	Instruction	4,473	973,044	33,029	948,448
0012	Instructional Resources and Media Services	--	--	--	--
0013	Curriculum and Staff Development	--	307,635	--	--
0021	Instructional Leadership	--	--	--	--
0023	School Leadership	--	--	--	--
0031	Guidance, Counseling, & Evaluation Services	--	--	--	--
0032	Social Work Services	--	--	34,705	--
0035	Food Service	--	--	--	--
0036	Cocurricular/Extracurricular Activities	--	--	--	--
0061	Community Services	--	67,407	--	--
0093	Payments to Shared Service Arrangements	--	--	--	--
6030	Total Expenditures	4,473	1,348,086	67,734	948,448
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	--	--	--	--
Other Financing Sources and (Uses):					
7915	Transfers In	--	--	--	--
8949	Other Uses	--	--	--	--
7080	Total Other Financing Sources and (Uses)	--	--	--	--
1200	Net Change in Fund Balances	--	--	--	--
0100	Fund Balances - Beginning	--	--	--	--
3000	Fund Balances - Ending	\$ --	\$ --	\$ --	\$ --

225 IDEA-B Preschool Grant	240 National School Breakfast/Lunch Program	244 Carl D. Perkins Basic Formula Grant	255 ESEA Title II Training & Recruitment	263 English Language Acquisition and Enhancement
\$ --	\$ 1,107,706	\$ --	\$ --	\$ --
--	29,876	--	--	--
1,047	3,778,412	92,968	237,864	162,543
<u>1,047</u>	<u>4,915,994</u>	<u>92,968</u>	<u>237,864</u>	<u>162,543</u>
1,047	--	92,968	7,729	37,716
--	--	--	--	--
--	--	--	228,135	124,827
--	--	--	2,000	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	4,836,231	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>1,047</u>	<u>4,836,231</u>	<u>92,968</u>	<u>237,864</u>	<u>162,543</u>
--	79,763	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	79,763	--	--	--
--	785,923	--	--	--
\$ --	\$ 865,686	\$ --	\$ --	\$ --

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	265 21st Century Community Learning Centers	279 Enhancing Education through Technology-ARRA	283 IDEA - Part B Formula - ARRA	284 IDEA - Part B Preschool ARRA
REVENUES:				
5700 <i>Local and Intermediate Sources</i>	\$ --	\$ --	\$ --	\$ --
5800 <i>State Program Revenues</i>	--	--	--	--
5900 <i>Federal Program Revenues</i>	1,648,390	8,489	75,623	448
5020 <i>Total Revenues</i>	<u>1,648,390</u>	<u>8,489</u>	<u>75,623</u>	<u>448</u>
EXPENDITURES:				
Current:				
0011 <i>Instruction</i>	181,169	--	75,623	448
0012 <i>Instructional Resources and Media Services</i>	--	--	--	--
0013 <i>Curriculum and Staff Development</i>	--	8,489	--	--
0021 <i>Instructional Leadership</i>	--	--	--	--
0023 <i>School Leadership</i>	--	--	--	--
0031 <i>Guidance, Counseling, & Evaluation Services</i>	--	--	--	--
0032 <i>Social Work Services</i>	--	--	--	--
0035 <i>Food Service</i>	--	--	--	--
0036 <i>Cocurricular/Extracurricular Activities</i>	--	--	--	--
0061 <i>Community Services</i>	1,467,220	--	--	--
0093 <i>Payments to Shared Service Arrangements</i>	--	--	--	--
6030 <i>Total Expenditures</i>	<u>1,648,389</u>	<u>8,489</u>	<u>75,623</u>	<u>448</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>				
1100 <i>Expenditures</i>	<u>1</u>	<u>--</u>	<u>--</u>	<u>--</u>
Other Financing Sources and (Uses):				
7915 <i>Transfers In</i>	--	146	--	--
8949 <i>Other Uses</i>	--	(146)	--	--
7080 <i>Total Other Financing Sources and (Uses)</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1200 <i>Net Change in Fund Balances</i>	<u>1</u>	<u>--</u>	<u>--</u>	<u>--</u>
0100 <i>Fund Balances - Beginning</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
3000 <i>Fund Balances - Ending</i>	<u>\$ 1</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

285 ESEA Title 1 Part A Improving Basic Programs - ARRA	287 Education Jobs Fund	289 Texas Literacy	313 IDEA-B Formula	314 IDEA-B Preschool
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
41,360	725,645	112,547	2,733,944	45,622
<u>41,360</u>	<u>725,645</u>	<u>112,547</u>	<u>2,733,944</u>	<u>45,622</u>
41,360	409,656	107,234	1,014,358	25,477
--	--	--	--	--
--	--	--	14,472	--
--	--	5,313	--	--
--	164,200	--	--	--
--	151,789	--	403,393	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	1,301,721	20,145
<u>41,360</u>	<u>725,645</u>	<u>112,547</u>	<u>2,733,944</u>	<u>45,622</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ --
<u><u>--</u></u>	<u><u>--</u></u>	<u><u>--</u></u>	<u><u>--</u></u>	<u><u>--</u></u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	364 IDEA - Part B Formula - ARRA	365 IDEA - Part B Preschool - ARRA	393 Texas Successful Schools	397 Advanced Placement Incentives
REVENUES:				
5700 <i>Local and Intermediate Sources</i>	\$ --	\$ --	\$ --	\$ --
5800 <i>State Program Revenues</i>	--	--	--	1,413
5900 <i>Federal Program Revenues</i>	<u>259,422</u>	<u>448</u>	<u>--</u>	<u>--</u>
5020 <i>Total Revenues</i>	<u>259,422</u>	<u>448</u>	<u>--</u>	<u>1,413</u>
EXPENDITURES:				
Current:				
0011 <i>Instruction</i>	58,861	--	--	--
0012 <i>Instructional Resources and Media Services</i>	--	--	--	--
0013 <i>Curriculum and Staff Development</i>	--	--	--	25
0021 <i>Instructional Leadership</i>	--	--	--	--
0023 <i>School Leadership</i>	--	--	--	--
0031 <i>Guidance, Counseling, & Evaluation Services</i>	--	--	--	--
0032 <i>Social Work Services</i>	--	--	--	--
0035 <i>Food Service</i>	--	--	--	--
0036 <i>Cocurricular/Extracurricular Activities</i>	--	--	--	--
0061 <i>Community Services</i>	--	--	--	--
0093 <i>Payments to Shared Service Arrangements</i>	<u>200,561</u>	<u>448</u>	<u>--</u>	<u>--</u>
6030 <i>Total Expenditures</i>	<u>259,422</u>	<u>448</u>	<u>--</u>	<u>25</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>				
1100 <i>Expenditures</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,388</u>
Other Financing Sources and (Uses):				
7915 <i>Transfers In</i>	--	--	--	--
8949 <i>Other Uses</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
7080 <i>Total Other Financing Sources and (Uses)</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1200 <i>Net Change in Fund Balances</i>	--	--	--	1,388
0100 <i>Fund Balances - Beginning</i>	--	--	2,534	(800)
3000 <i>Fund Balances - Ending</i>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,534</u>	<u>\$ 588</u>

404 Student Success Initiative	410 State Textbook Fund	411 Technology Allotment	426 Texas Educator Excellence Award Program	429 State Funded Special Revenue Fund
\$ --	\$ --	\$ --	\$ --	\$ --
10,201	348,284	91,675	31	68,480
--	--	--	--	--
10,201	348,284	91,675	31	68,480
10,201	348,284	59,231	--	8,737
--	--	--	31	--
--	--	76,625	--	59,743
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
10,201	348,284	135,856	31	68,480
--	--	(44,181)	--	--
--	--	129	--	--
--	--	(129)	--	--
--	--	--	--	--
--	--	(44,181)	--	--
--	--	44,181	69	--
\$ --	\$ --	\$ --	\$ 69	\$ --

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		435 Regional Day School for the Deaf	459 Bastrop County Bootcamp
REVENUES:			
5700	Local and Intermediate Sources	\$ --	\$ 83,049
5800	State Program Revenues	484,404	--
5900	Federal Program Revenues	--	--
5020	Total Revenues	<u>484,404</u>	<u>83,049</u>
EXPENDITURES:			
Current:			
0011	Instruction	484,404	63,554
0012	Instructional Resources and Media Services	--	--
0013	Curriculum and Staff Development	--	--
0021	Instructional Leadership	--	--
0023	School Leadership	--	--
0031	Guidance, Counseling, & Evaluation Services	--	--
0032	Social Work Services	--	--
0035	Food Service	--	--
0036	Cocurricular/Extracurricular Activities	--	--
0061	Community Services	--	--
0093	Payments to Shared Service Arrangements	--	--
6030	Total Expenditures	<u>484,404</u>	<u>63,554</u>
1100	Excess (Deficiency) of Revenues Over (Under)		
1100	Expenditures	<u>--</u>	<u>19,495</u>
Other Financing Sources and (Uses):			
7915	Transfers In	--	--
8949	Other Uses	--	--
7080	Total Other Financing Sources and (Uses)	<u>--</u>	<u>--</u>
1200	Net Change in Fund Balances	--	19,495
0100	Fund Balances - Beginning	--	(19,495)
3000	Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>

461 Campus Activity Funds	480 NAESP Grant	498 P-16 Partnership	Total Nonmajor Special Revenue Funds (See Exhibit H-2)
\$ 26,114	\$ --	\$ 109,297	\$ 1,326,166
--	--	--	1,034,364
--	--	--	12,293,513
<u>26,114</u>	<u>--</u>	<u>109,297</u>	<u>14,654,043</u>
--	--	20,574	5,007,625
--	--	--	31
--	--	--	819,951
--	--	--	7,313
--	--	--	164,200
--	--	88,723	643,905
--	--	--	34,705
--	--	--	4,836,231
(5,909)	--	--	(5,909)
--	--	--	1,534,627
--	--	--	1,522,875
<u>(5,909)</u>	<u>--</u>	<u>109,297</u>	<u>14,565,554</u>
<u>32,023</u>	<u>--</u>	<u>--</u>	<u>88,489</u>
--	--	--	275
--	--	--	(275)
--	--	--	--
<u>32,023</u>	<u>--</u>	<u>--</u>	<u>88,489</u>
361,103	216	--	1,173,731
<u>\$ 393,126</u>	<u>\$ 216</u>	<u>\$ --</u>	<u>\$ 1,262,220</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF NET ASSETS

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2012

Data Control Codes		Enterprise Fund <u>Performing Arts Center</u>	Enterprise Fund <u>Food Service Catering</u>	Enterprise Fund <u>High School Bistro</u>
ASSETS:				
Current Assets:				
1110	Cash and Cash Equivalents	\$ 6,310	\$ 75,893	\$ 7,738
	Total Current Assets	<u>6,310</u>	<u>75,893</u>	<u>7,738</u>
1000	Total Assets	<u>\$ 6,310</u>	<u>\$ 75,893</u>	<u>\$ 7,738</u>
LIABILITIES:				
Current Liabilities:				
2110	Accounts Payable	\$ 111	\$ --	\$ 197
2150	Payroll Deduction & Withholdings	2	--	1,702
2160	Accrued Wages Payable	<u>100</u>	<u>--</u>	<u>5,839</u>
	Total Current Liabilities	<u>213</u>	<u>--</u>	<u>7,738</u>
2000	Total Liabilities	<u>213</u>	<u>--</u>	<u>7,738</u>
NET ASSETS:				
3000	Total Net Assets	<u>\$ 6,097</u>	<u>\$ 75,893</u>	<u>\$ --</u>

Enterprise Fund	Enterprise Fund	Enterprise Fund	Total Nonmajor Enterprise Funds (See Exhibit D-1)
Community Education	STARS After School Program	Employee Child Care	
\$ 79,805	\$ 378,059	\$ 38,595	\$ 586,400
79,805	378,059	38,595	586,400
\$ 79,805	\$ 378,059	\$ 38,595	\$ 586,400
\$ --	\$ 3,362	\$ --	\$ 3,670
--	883	6,598	9,185
--	16,011	31,997	53,947
--	20,256	38,595	66,802
--	20,256	38,595	66,802
\$ 79,805	\$ 357,803	\$ --	\$ 519,598

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENSES,

AND CHANGES IN FUND NET ASSETS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		Enterprise Fund Performing Arts Center	Enterprise Fund Food Service Catering	Enterprise Fund High School Bistro
	OPERATING REVENUES:			
5700	<i>Local and Intermediate Sources</i>	\$ 18,027	\$ --	\$ 101,329
5020	Total Revenues	<u>18,027</u>	<u>--</u>	<u>101,329</u>
	OPERATING EXPENSES:			
6100	<i>Payroll Costs</i>	513	--	43,178
6200	<i>Professional and Contracted Services</i>	9,670	--	--
6300	<i>Supplies and Materials</i>	4,095	--	61,091
6400	<i>Other Operating Costs</i>	1,592	--	445
6030	Total Expenses	<u>15,870</u>	<u>--</u>	<u>104,714</u>
	Operating Income (Loss)	<u>2,157</u>	<u>--</u>	<u>(3,385)</u>
	Income (Loss) before Contributions and Transfers	<u>2,157</u>	<u>--</u>	<u>(3,385)</u>
1300	Change in Net Assets	2,157	--	(3,385)
1300	Change in Net Assets	2,157	--	(3,385)
0100	Total Net Assets - Beginning	3,940	75,893	3,385
3300	Total Net Assets - Ending	<u>\$ 6,097</u>	<u>\$ 75,893</u>	<u>\$ --</u>

Enterprise Fund	Enterprise Fund	Enterprise Fund	Total Nonmajor Enterprise Funds (See Exhibit D-2)
Community Education	STARS After School Program	Employee Child Care	
\$ 28,545	\$ 489,740	\$ 211,161	\$ 848,802
28,545	489,740	211,161	848,802
3,843	395,503	185,913	628,950
13,209	27,624	--	50,503
2,665	35,871	2,036	105,758
123	40,882	1,697	44,739
19,840	499,880	189,646	829,950
8,705	(10,140)	21,515	18,852
8,705	(10,140)	21,515	18,852
8,705	(10,140)	21,515	18,852
8,705	(10,140)	21,515	18,852
71,100	367,943	(21,515)	500,746
\$ 79,805	\$ 357,803	\$ --	\$ 519,598

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	744 Performing Arts Center	745 Food Service Catering	746 High School Bistro
Cash Flows from Operating Activities:			
<i>Cash Received from Miscellaneous Sources</i>	\$ 18,027	\$ --	\$ 101,330
<i>Cash Payments to Employees and Suppliers</i>	(16,264)	--	(100,586)
Net Cash Provided (Used) by Operating Activities	<u>1,763</u>	<u>--</u>	<u>744</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,763	--	744
Cash and Cash Equivalents at Beginning of Year	4,548	75,893	6,994
Cash and Cash Equivalents at End of Year	<u>\$ 6,311</u>	<u>\$ 75,893</u>	<u>\$ 7,738</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 2,157	\$ --	\$ (3,385)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Change in Assets and Liabilities			
Decrease (Increase) in Receivables	--	--	--
Increase (Decrease) in Interfund Payables	--	--	--
Increase (Decrease) in Accounts Payable	(395)	--	4,129
Total Adjustments	<u>--</u>	<u>--</u>	<u>--</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,763</u>	<u>\$ --</u>	<u>\$ 744</u>

747 Community Education	748 STARS After School Program	749 Employee Child Care	Total Nonmajor Enterprise Funds (See Exhibit D-3)
\$ 28,545	\$ 501,915	\$ 211,161	\$ 860,978
(21,719)	(499,519)	(194,047)	(832,135)
<u>6,826</u>	<u>2,396</u>	<u>17,114</u>	<u>28,843</u>
6,826	2,396	17,114	28,843
72,980	375,663	21,482	557,560
<u>\$ 79,805</u>	<u>\$ 378,059</u>	<u>\$ 38,596</u>	<u>\$ 586,403</u>
\$ 8,705	\$ (10,140)	\$ 21,515	\$ 18,852
--	12,175	--	12,175
(1,769)	--	--	(1,769)
<u>(110)</u>	<u>361</u>	<u>(4,401)</u>	<u>(416)</u>
--	--	--	--
<u>\$ 6,826</u>	<u>\$ 2,396</u>	<u>\$ 17,114</u>	<u>\$ 28,843</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

JUNE 30, 2012

Data Control Codes	752 Print Shop Fund	753 Insurance Fund	Total Internal Service Funds (See Exhibit D-1)
ASSETS:			
Current Assets:			
1110 <i>Cash and Cash Equivalents</i>	\$ 19,667	\$ 940,624	\$ 960,291
1120 <i>Investments</i>	--	1,871,996	1,871,996
Total Current Assets	<u>19,667</u>	<u>2,812,620</u>	<u>2,832,287</u>
1000 Total Assets	<u>\$ 19,667</u>	<u>\$ 2,812,620</u>	<u>\$ 2,832,287</u>
LIABILITIES:			
Current Liabilities:			
2110 <i>Accounts Payable</i>	\$ 3,466	\$ --	\$ 3,466
2200 <i>Accrued Expenditures/Expenses</i>	--	702,661	702,661
Total Current Liabilities	<u>3,466</u>	<u>702,661</u>	<u>706,127</u>
2000 Total Liabilities	<u>3,466</u>	<u>702,661</u>	<u>706,127</u>
NET ASSETS:			
3000 Total Net Assets	<u>\$ 16,201</u>	<u>\$ 2,109,959</u>	<u>\$ 2,126,160</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		752 Print Shop Fund	753 Insurance Fund	Total Internal Service Funds (See Exhibit D-2)
	OPERATING REVENUES:			
5700	<i>Local and Intermediate Sources</i>	\$ 132,741	\$ 477,534	\$ 610,275
5020	Total Revenues	<u>132,741</u>	<u>477,534</u>	<u>610,275</u>
	OPERATING EXPENSES:			
6100	<i>Payroll Costs</i>	31,262	--	31,262
6200	<i>Professional and Contracted Services</i>	43,274	--	43,274
6300	<i>Supplies and Materials</i>	38,547	--	38,547
6400	<i>Other Operating Costs</i>	--	196,084	196,084
6030	Total Expenses	<u>113,083</u>	<u>196,084</u>	<u>309,167</u>
	Operating Income (Loss)	<u>19,658</u>	<u>281,450</u>	<u>301,108</u>
	Income (Loss) before Contributions and Transfe	<u>19,658</u>	<u>281,450</u>	<u>301,108</u>
1300	Change in Net Assets	<u>19,658</u>	<u>281,450</u>	<u>301,108</u>
0100	Total Net Assets - Beginning	(3,457)	1,828,509	1,825,052
3300	Total Net Assets - Ending	<u>\$ 16,201</u>	<u>\$ 2,109,959</u>	<u>\$ 2,126,160</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF CASH FLOWS

ALL INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	752 Print Shop Fund	753 Insurance Fund	Total Internal Service Funds (See Exhibit D-3)
Cash Flows from Operating Activities:			
<i>Cash Received from Miscellaneous Sources</i>	\$ 133,056	\$ 475,418	\$ 608,474
<i>Cash Received from Interest Earnings</i>	--	2,116	2,116
<i>Cash Payments to Employees and Suppliers</i>	(113,083)	(265,035)	(378,118)
Net Cash Provided (Used) by Operating Activities	<u>19,973</u>	<u>212,499</u>	<u>232,472</u>
Net Increase (Decrease) in Cash and Cash Equivalents	19,973	212,499	232,472
Cash and Cash Equivalents at Beginning of Year	(307)	2,600,121	2,599,814
Cash and Cash Equivalents at End of Year	<u>\$ 19,666</u>	<u>\$ 2,812,620</u>	<u>\$ 2,832,286</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 19,658	\$ 281,450	\$ 301,108
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Change in Assets and Liabilities:			
<i>Decrease (Increase) in Receivables</i>	315	--	315
<i>Increase (Decrease) in Accrued Expenses</i>	--	(68,951)	(68,951)
Total Adjustments	<u>315</u>	<u>(68,951)</u>	<u>(68,636)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 19,973</u>	<u>\$ 212,499</u>	<u>\$ 232,472</u>

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

BASTROP INDEPENDENT SCHOOL DISTRICT*SCHEDULE OF DELINQUENT TAXES RECEIVABLE**FOR THE YEAR ENDED JUNE 30, 2012*

Year Ended June 30	1		2		3	
	Tax Rates				Assessed/Appraised	
	Maintenance		Debt Service		Value For School Tax Purposes	
2003 and Prior Years	\$	Various	\$	Various	\$	Various
2004		1.50		.143		1,819,228,190
2005		1.50		.242		1,874,834,961
2006		1.50		.228		1,976,038,192
2007		1.37		.252		2,077,860,237
2008		1.04		.461		2,274,831,179
2009		1.04		.441		2,450,924,781
2010		1.04		.441		2,575,906,955
2011		1.04		.441		2,531,191,897
2012 (School Year Under Audit)		1.04		.441		2,733,873,100

1000 Totals

9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code

10 Beginning Balance 7/1/11	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 6/30/12
\$ 842,403	\$ --	\$ 34,228	\$ 7,465	\$ (195,889)	\$ 604,821
259,805	--	13,671	1,303	(24,089)	220,742
328,940	--	18,135	2,926	(25,454)	282,425
357,522	--	36,465	5,543	(27,857)	287,657
405,003	--	54,557	10,035	(26,462)	313,948
442,496	--	81,058	35,931	(18,180)	307,327
679,950	--	164,411	69,716	(9,494)	436,328
1,122,233	--	279,530	118,531	(6,924)	717,247
2,157,355	--	711,169	301,563	(70,349)	1,074,274
--	40,488,661	27,144,981	11,510,516	--	1,833,163
<u>\$ 6,595,705</u>	<u>\$ 40,488,661</u>	<u>\$ 28,538,205</u>	<u>\$ 12,063,529</u>	<u>\$ (404,699)</u>	<u>\$ 6,077,933</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

BASTROP INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-2

SCHEDULE OF EXPENDITURES FOR COMPUTATION OF INDIRECT COST FOR 2013-2014

GENERAL AND SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

FUNCTION 41 - GENERAL ADMINISTRATION

Account Number	Account Name	1 (702) School Board	2 (703) Tax Collection	3 (701) Supt's Office	4 (750) Indirect Cost	5 (720) Direct Cost	6 (Other) Misc.	7 Total
611X-6146	Payroll Costs	\$ 2,299	\$ --	\$ 293,333	\$ 1,190,645	\$ --	\$ 1,838	\$ 1,488,115
6149	Fringe Benefits (Unused Leave for Separating Employees in Function 41 and Related 53)	--	--	--	--	--	--	--
6149	Fringe Benefits (Unused Leave for Separating Employees in all Functions except Function 41 and Related 53)	--	--	--	--	--	--	--
6211	Legal Services	21,611	--	518	--	147,798	--	169,927
6212	Audit Services	--	--	--	13,775	--	--	13,775
6213	Tax Appraisal and Collection	--	54,709	--	--	--	--	54,709
621X	Other Prof. Services	3	--	336	35,110	--	--	35,449
6220	Tuition and Transfer Payments	--	--	--	--	--	--	--
6230	Education Service Centers	--	--	--	--	--	--	--
6240	Contr. Maint. and Repair	--	--	--	--	2,000	--	2,000
6250	Utilities	--	--	--	--	--	--	--
6260	Rentals	13	--	1,630	6,577	--	--	8,220
6290	Miscellaneous Contr.	3	--	399	1,606	--	--	2,008
6310	Operational Supplies, Materials	--	--	--	--	--	--	--
6320	Textbooks and Reading	--	--	--	--	--	--	--
6330	Testing Materials	--	--	--	--	--	--	--
63XX	Other Supplies, Materials	34	--	4,697	85,772	--	--	90,503
6410	Travel, Subsistence, Stipends	4,156	--	7,475	7,294	--	--	18,925
6420	Ins. and Bonding Costs	31	--	4,092	16,494	--	--	20,617
6430	Election Costs	16,469	--	--	--	--	--	16,469
6490	Miscellaneous Operating	48	--	6,420	46,142	--	--	52,610
6500	Debt Service	--	--	--	--	--	--	--
6600	Capital Outlay	--	--	--	--	--	--	--

Total	\$ 44,667	\$ 54,709	\$ 318,900	\$ 1,403,415	\$ 149,798	\$ 1,838	\$ 1,973,327
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Total Expenditures for General and Special Revenue Funds	(9)	\$ 78,106,864
--	-----	---------------

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 160,311
Total Debt & Lease (6500)	(11)	\$ --
Plant Maintenance (Function 51, 6100-6400)	(12)	\$ 7,200,573
Food (Function 35, 6341 and 6499)	(13)	\$ 1,985,866
Stipends (6413)	(14)	\$ --
Column 4 (above) - Total Indirect Cost		\$ 1,403,415

Subtotal		10,750,165
----------	--	------------

Net Allowed Direct Cost		\$ 67,356,699
-------------------------	--	---------------

CUMULATIVE

Total Cost of Buildings Before Depreciation (1520)	(15)	\$ 222,996,448
Historical Cost of Buildings over 50 years old	(16)	--
Amount of Federal Money in Building Cost (Net of #16)	(17)	--
Total Cost of Furniture & Equipment Before Depreciation (1530 & 1540)	(18)	3,696,870
Historical Cost of Furniture & Equipment over 16 years old	(19)	--
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 188,778

(8) Note A - No Function 53 expenditures and no Function 99 expenditures are included in this report on administrative costs.

BASTROP INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-3

NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	REVENUES:				
5700	Local and Intermediate Sources	\$ 1,643,759	\$ 1,043,759	\$ 1,107,706	\$ 63,947
5800	State Program Revenues	28,000	28,000	29,876	1,876
5900	Federal Program Revenues	3,025,999	3,705,999	3,778,412	72,413
5020	Total Revenues	<u>4,697,758</u>	<u>4,777,758</u>	<u>4,915,994</u>	<u>138,236</u>
	EXPENDITURES:				
	Current:				
	Support Services - Student (Pupil):				
0035	Food Services	<u>4,697,758</u>	<u>4,777,758</u>	<u>4,836,231</u>	<u>(58,473)</u>
	Total Support Services - Student (Pupil)	<u>4,697,758</u>	<u>4,777,758</u>	<u>4,836,231</u>	<u>(58,473)</u>
6030	Total Expenditures	<u>4,697,758</u>	<u>4,777,758</u>	<u>4,836,231</u>	<u>(58,473)</u>
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	<u>--</u>	<u>--</u>	<u>79,763</u>	<u>79,763</u>
1200	Net Change in Fund Balance	<u>--</u>	<u>--</u>	<u>79,763</u>	<u>79,763</u>
0100	Fund Balance - Beginning	<u>785,923</u>	<u>785,923</u>	<u>785,923</u>	<u>--</u>
3000	Fund Balance - Ending	<u>\$ 785,923</u>	<u>\$ 785,923</u>	<u>\$ 865,686</u>	<u>\$ 79,763</u>

BASTROP INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-4

DEBT SERVICE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	REVENUES:				
5700	<i>Local and Intermediate Sources</i>	\$ 19,416,755	\$ 12,011,755	\$ 12,299,864	\$ 288,109
5800	<i>State Program Revenues</i>	1,456,469	1,456,469	1,255,015	(201,454)
5020	Total Revenues	<u>20,873,224</u>	<u>13,468,224</u>	<u>13,554,879</u>	<u>86,655</u>
	EXPENDITURES:				
	Debt Service:				
0071	<i>Principal on Long-Term Debt</i>	2,549,840	2,549,840	2,744,840	(195,000)
0072	<i>Interest on Long-Term Debt</i>	11,596,919	11,596,919	11,440,982	155,937
0073	<i>Bond Issuance Costs and Fees</i>	17,500	270,000	165,894	104,106
	Total Debt Service	<u>14,164,259</u>	<u>14,416,759</u>	<u>14,351,716</u>	<u>65,043</u>
6030	Total Expenditures	<u>14,164,259</u>	<u>14,416,759</u>	<u>14,351,716</u>	<u>65,043</u>
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	<u>6,708,965</u>	<u>(948,535)</u>	<u>(796,837)</u>	<u>151,698</u>
	Other Financing Sources (Uses):				
7911	<i>Capital-Related Debt Issued (Regular Bonds)</i>	--	--	8,829,226	8,829,226
7915	<i>Transfers In</i>	309,523	309,523	309,523	--
7916	<i>Premium or Discount on Issuance of Bonds</i>	--	--	963,145	963,145
8949	<i>Other Uses</i>	--	--	(9,641,628)	(9,641,628)
7080	Total Other Financing Sources and (Uses)	<u>309,523</u>	<u>309,523</u>	<u>460,266</u>	<u>150,743</u>
1200	Net Change in Fund Balance	<u>7,018,488</u>	<u>(639,012)</u>	<u>(336,571)</u>	<u>302,441</u>
0100	Fund Balance - Beginning	5,791,654	5,791,654	5,791,654	--
3000	Fund Balance - Ending	<u>\$ 12,810,142</u>	<u>\$ 5,152,642</u>	<u>\$ 5,455,083</u>	<u>\$ 302,441</u>



Independent Auditors' Report

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 Trustees
Bastrop Independent School District:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bastrop Independent School District as of and for the year ended June 30, 2012, which collectively comprise the Bastrop Independent School District's basic financial statements and have issued our report thereon dated October 30, 2012. 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

Management of Bastrop Independent School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Bastrop Independent School District'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 the Bastrop Independent School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Bastrop Independent School 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.

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Independent Auditors' Report

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

Page 2 of 2

Compliance and Other Matters

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

This report is intended solely for the information and use of management, others within the entity, the Board of Trustees, 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.

Respectfully submitted,

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Bellville, Texas
October 30, 2012



Independent Auditors' Report

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 Trustees
Bastrop Independent School District:

Compliance

We have audited Bastrop Independent School District'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 Bastrop Independent School District's major federal programs for the year ended June 30, 2012. Bastrop Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Bastrop Independent School District's management. Our responsibility is to express an opinion on Bastrop Independent School District'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 Bastrop Independent School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Bastrop Independent School District's compliance with those requirements.

In our opinion, Bastrop Independent School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of Bastrop Independent School District 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 Bastrop Independent School District'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 Bastrop Independent School District's internal control over compliance.

Partners

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Independent Auditors' Report

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

Page 2 of 2

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 considered to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the entity, the Board of Trustees, 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.

Respectfully submitted,

 BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Bellville, Texas
October 30, 2012

BASTROP INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

A. Summary of Auditors' Results

1. Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's 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 OMB Circular A-133? Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.01 & 84.389	Title I, Part A Cluster
84.027, 84.391, & 84.392	Special Education Cluster
84.287	Twenty-First Century Community Learning Centers
84.410	Education Jobs Fund
84.365	English Language Acquisition Grants

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

Auditee qualified as low-risk auditee? X Yes No

BASTROP INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

BASTROP INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
None		

BASTROP INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

None

BASTROP INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

EXHIBIT K-1

Page 1 of 2

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF EDUCATION			
Passed Through State Department of Education:			
<i>ESEA Title I Part A - Improving Basic Programs *</i>	84.010	12610101011901	\$ 1,373,749
<i>ESEA Title I Part C - Migratory Children</i>	84.011	12615001011901	68,827
<i>IDEA-B Formula *</i>	84.027	116600010119016000	948,448
<i>SSA IDEA-B Formula *</i>	84.027	126600010119016000	2,733,944
Total CFDA Number 84.027			<u>3,682,392</u>
<i>Vocational Education - Basic Grant</i>	84.048	12420006011901	92,968
<i>IDEA-B Preschool *</i>	84.173	126610010119016000	1,047
<i>SSA IDEA-B Preschool *</i>	84.173	126610010119016000	46,600
Total CFDA Number 84.173			<u>47,647</u>
<i>21st Century Community Learning Centers</i>	84.287	126950177110006	363,206
<i>Title IV Part B21st Century Community Learning Centers</i>	84.287	126950177110006	1,320,343
<i>Title IV Part B21st Century Community Learning Centers</i>	84.287	126950177110006	230
Total CFDA Number 84.287			<u>1,683,779</u>
<i>English Language Acquisition and Language Enhancement</i>	84.365	12671001011901	165,601
<i>ESEA Title II Part A - Teacher & Principal Training & Recruitment</i>	84.367	12694501011901	243,365
Total CFDA Number 84.367			<u>243,365</u>
Summer School LEP	84.369	69551102	5,549
<i>Fund 2892</i>	84.371	126460037110005	112,547
Total CFDA Number 84.371			<u>112,547</u>
<i>ARRA - Title II Part D Subpart 1-Enhancing Education Through Tech.</i>	84.386	10553001011901	8,658
Total CFDA Number 84.386			<u>8,658</u>
<i>ARRA - ESEA, Title I, Part A - Improving Basic Programs *</i>	84.389	10551001011901	42,500
<i>ARRA - IDEA-Part B Formula *</i>	84.391	10554001011901	75,623
<i>ARRA - SSA IDEA-Part B Formula *</i>	84.391	10554001011901	259,422
Total CFDA Number 84.391			<u>335,045</u>
<i>ARRA - IDEA Part B, Preschool *</i>	84.392	10555001011901	\$ 448
<i>ARRA - SSA IDEA Part B, Preschool *</i>	84.392	10555001011901	448
Total CFDA Number 84.392			<u>896</u>
<i>Education Jobs Fund</i>	84.410	11550101011901	725,645
Total Passed Through State Department of Education			<u>8,589,168</u>
Passed Through Region XIII Education Service Center:			
<i>ESEA Title X Part C - Education for Homeless Children and Youth *</i>	84.196	011-901	4,473
Total CFDA Number 84.196			<u>4,473</u>
Total Passed Through Region XIII Education Service Center			<u>4,473</u>
Total U. S. Department of Education			<u>8,593,641</u>

BASTROP INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

EXHIBIT K-1
Page 2 of 2

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF AGRICULTURE			
Passed Through State Department of Education:			
School Breakfast Program *	10.553	71401101	758,060
National School Lunch Program *	10.555	71301101	2,755,069
USDA Donated Commodities	10.565	011-901	265,283
Total Passed Through State Department of Education			<u>3,778,413</u>
Total U. S. Department of Agriculture			<u>3,778,413</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 12,372,053</u>

* Indicates clustered program under OMB Circular A-133 Compliance Supplement

The accompanying notes are an integral part of this schedule.

Reconciliation:	
Exhibit C-2 Federal Revenues	<u>\$ 14,755,676</u>
Exhibit K-1 expenditures of Federal awards	12,372,053
SHARS and Medicaid in Fund 437	2,321,806
Federal Revenue in Fund 199	61,817
	<u>\$ 14,755,676</u>

BASTROP INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Bastrop Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

BASTROP INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
AS OF JUNE 30, 2012*

<u>Data Control Codes</u>		<u>Responses</u>
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning default on bonded indebtedness obligations?	No
SF4	Did the district receive a clean audit? - Was there an unqualified opinion in the Annual Financial Report?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls?	No
SF9	Was there any disclosure in the Annual Financial Report of material noncompliance?	No
SF10	What was the total accumulated accretion on capital appreciation bonds included in the government-wide financial statements at fiscal year-end?	\$ 18,868,891

