

United Independent School District



Comprehensive Annual Financial Report

Fiscal Year

September 1, 2008 - August 31, 2009



Roberto J. Santos
Superintendent of Schools

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**UNITED INDEPENDENT SCHOOL DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED AUGUST 31, 2009**

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United Independent School District
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December 1, 2009

Board of Trustees
United Independent School District
201 Lindenwood Drive
Laredo, Texas 78045

Dear Board Members:

We are pleased to present the United Independent School District (the District) Comprehensive Annual Financial Report (CAFR) for the year ending August 31, 2009. The report was prepared by the Division of Finance-Accounting Department. Responsibility for the accuracy and fairness of the financial information and disclosures contained in the report rests solely with this division. The District's annual audited financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information are presented in conformity with requirements established by the Texas Education Agency in their Financial Accountability Systems Resource Guide. The District's independent auditors were **Garza/Gonzalez & Associates** and their opinion letter is hereby made a part of this report. The report as submitted to the Texas Education Agency has been modified to conform to the reporting format required by the Government Finance Officers Association. In addition, the Management's Discussion and Analysis section is an integral part of the CAFR and can be found on page 21.

Texas law requires that each public school district in the state undergo an annual audit conducted by an independent audit firm. This audit must be done in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in **Government Auditing Standards** issued by the Comptroller General of the United States. The audit must also comply with the requirements of the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and other grantors regulations. The goal of the independent audit was to provide reasonable assurance that the financial statements of United Independent School District for fiscal year ended August 31, 2009, are free of material misstatement and are presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report can be found on page 17.

Profile of the Government

The District is a political subdivision and is an independent reporting entity as defined by the Governmental Accounting Standards Board Statement No. 14 (GASB 14). The District is located in Webb County, Texas and serves a population of approximately 251,096 persons and provides services to a large portion of the City of Laredo. The District was established in 1961 and “united” three small school districts that were in existence at the time. These were Cactus School District, which was located 28 miles north of Laredo on the Callaghan Ranch, Johnson School District, which was located in South Laredo on state highway 83, and Nye School District, located on the northern edge of the City of Laredo.

The District currently comprises north and southeast Laredo, as well as, 75 percent of Webb County covering 2,448 square miles and is considered one of the fastest growing public school districts in the state of Texas. During the last several years, the District’s enrollment has risen from 33,217 students in 2004-2005 to 39,475 students in 2008-2009. Current projections show the District’s student enrollment will continue to grow by approximately 700 students per year for the next four years.

The District is made up of 27 Elementary Schools (Pre-Kinder to 5th Grade), 9 Middle Schools (Grades 6, 7 and 8th), 4 High Schools (Grades 9, 10, 11 and 12th), 3 Magnet Schools (Grades 9-12th), 1 Alternative Education Center, and 4 Odessyware recovery and prevention programs. The student population of the District in 2009 was primarily Hispanic American (97.9%), The remaining population consisted of Anglo Americans (1.4%), African American (0.2%), and Asian/Pacific Islanders (0.5%).

The policy-making functions of the District lie with a seven-member Board of Trustees (the Board), each of which is elected from a single-member district for three-year staggered terms. The Board receives funding from local, state and federal source entities. However, the Board is not included in any other reporting entity as defined by GASB 14. This report contains all funds pertaining to the District. Serving without compensation, Board members establish the policies by which schools operate. In carrying out the task of setting policy, the board identifies needs and establishes priorities for the school system, allocates financial and human resources among the priority areas and evaluates school performance.

On an annual basis, the District presents the Board of Trustees with the proposed budgets for the General Operating Fund, the Debt Service Fund, and the Food Service Fund for approval as required by the Texas Education Code and as described in the Texas Education Agency’s Financial Accountability Systems Resource Guide. The proposed budget is presented to the Board summarized at the function level for each of the funds above. The Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than August 31, the close of the District’s fiscal year. After adoption of the budget, the appropriation amounts are entered into the District’s

accounting and encumbrance system and monitoring of the expenditures and encumbrances in relation to the approved budget begins.

Budget managers have the authority to approve budget transfers anytime during the year. A budget transfer is the movement of appropriations between budget line items within the same function. Any request to move appropriations between budget line items to different functions is considered a budget amendment. Any budget amendment requested by budget managers requires Board approval. Expenditure requests will not be processed unless appropriations are available in the line item.

The District feels that the budgetary controls currently in place are adequate to ensure that expenditures remain within the approved budget and that the District complies with regulations established by the Texas Education Code and the Financial Accountability Systems Resource Guide.

The District evaluates the existing system of internal controls annually through self-evaluation, internal auditing and the annual independent financial and compliance audit. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from authorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: 1) the cost of controls should not exceed benefits expected to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

Academics play a significant role in the lives of our students. Our campuses offer a wide variety of courses in all academic areas, including gifted and talented and advanced placement courses at our high schools. The District continues to support existing programs such as career/technology and expanding programs such as the Science, Business, and Engineering Magnet Schools. The focal point of this year's budget is on instruction with budgeted expenditures for students and teachers making up over 57.2% of the General Fund budget. The District budgeted \$188,474,705 for the 2008-2009 school year in instructional and instructional related service funds. This represents an increase of \$22,376,619 or 13.4% over the previous year's budget.

With the difficulty in accessing the city's few libraries, some campuses have become hubs for learning and reading through Library Nights, Family Reading Nights, Picnic Up a Good Book and Read, and Bibliotherapy. Technology Linking the Community program fosters technological literacy in parents and to the community through classes offered at several campuses.

In addition, the District funds the SureScore Program which helps provide training for students from grades 6 – 12 on college preparatory materials and issues. Some of the critical factors it offers are introducing the idea of college at a very early age, and encourages parental involvement through its FUNdamentals of College Admissions Program that helps families make decisions about college.

The Texas Education Agency developed a completely reconceived testing program in academic year 2002-2003. In the sixth year of implementation, the Texas Assessment of Knowledge and Skills (TAKS) continues to reflect good instructional practices and more accurately measures student learning.

Due to the continued growth the District is experiencing, the number of teachers with less than five years teaching experience makes up more than 36% of the total teachers in the District. The District sustains a teacher mentor program, called “Pathfinders of the 21st Century”, which provides role models of effective instructional strategies for those teachers new to the profession. The District believes the Pathfinder program has had a positive impact on the TAKS test.

Factors Affecting Financial Condition

Local Economy

Employment and the Labor Force

Laredo is considered the “Gateway to Mexico” and is a strategically positioned land port that converges Mexico’s principle highway and railroad with U.S. rail lines and U.S. Interstate 35, which services Texas seaports and northern U.S. states. International trade, transportation, retail trade, oil and gas, and tourism continue to play a major role in the Laredo/Webb County area economy. Laredo’s economy reaches the over 6,000,000 people from Monterrey, Mexico and the surrounding areas.

Webb County continues to show growth in population and industry, with the majority of the growth situated within the boundaries of the District. The top ten employers in the area consist of one medical service facilities, two grocery/retail stores, one fast food restaurant, and six government institutions including the City of Laredo, Webb County, Laredo ISD, United ISD, Laredo Community College, and the Laredo Sector Border Patrol. Together, these employers provide jobs for over 23,400 persons. The population in the Laredo/Webb County area was estimated to have reached over 233,152 persons for the year 2008 according to the Laredo Development Foundation. Forecasts by the Texas Water Development Board show the population reaching 247,380 by the year 2010.

The area felt the effect of the peso devaluation in 1995 and 1996 with the unemployment rate rising into the double-digit range. However, the economy in Mexico has stabilized and the unemployment rate in the Laredo area has fallen to 6.0% in 2008. For the past 15 years Laredo has seen a decline in the unemployment rate. The industries in the area showing the most gains were transportation, public utilities, communications, government and retail/wholesale industries. The manufacturing industry has shown a decline since 1989, indicating that the “maquiladora” companies in the area have caused the manufacturing process to shift into Mexico, with the United States side benefiting from increased freight forwarding, transportation, and warehousing services.

International Trade

Webb County, Texas is located on the border where U.S. Highway 35 meets the Mexico border across from Nuevo Laredo, Tamaulipas, Mexico. International bridges I and II are located between Laredo and Nuevo Laredo and international bridge III is located between Laredo and the city of Colombia, Mexico. International bridge IV is in the northwest portion of Laredo and is used primarily for freight transportation purposes. The opening of this fourth bridge has helped alleviate the traffic congestion that was being experienced at the other three bridges. The Laredo City Council, as well as the County of Webb, have instructed their administrations to move forward with the application process, in conjunction with Mexico, for a fifth international bridge for non-commercial use.

With its proximity to Mexico, the area's largest factor on the local economy continues to be the trade between the United States and Mexico. Laredo is the number one inland port along the US-Mexico border crossing over \$116 billion in imports and export according to the Laredo Development Foundation. With the passage of the North American Free Trade Agreement (NAFTA), the area has experienced tremendous growth in the freight forwarding, freight transportation and freight storage industries. Imports and exports between the United States and Mexico passing through the Laredo area have risen steadily over the last five years. Over 700 of Fortune 1,000 companies do international business via Laredo. The international bridges crossed over 2,108,857 trucks and 327,369 loaded rail cars along with 287.6 million pounds of air freight in 2008. This "traffic" has spurred increases in other industries such as retail sales, construction and government.

Oil and Gas Industry

The oil and gas industry continues to be a factor in the Webb County/District economy. In prior years, with the District being considered a rural school district, mineral values made up a substantial portion of the total property values for the District. With the majority of the growth in the Laredo area occurring in our District, the mineral portion of values is approximately 11.2% of the total assessed valuation of the District.

Retail Industry

The retail industry continues to have a major effect on the economy of the Webb County/District area. In 2008, the retail industry continued to provide more jobs than any other industry located in the area, accounting for approximately 28,700 jobs. Laredo's Wal-Mart has the highest sales per square foot in the nation. In addition, the total assessed valuation for real commercial property made up almost 28.9% of the District's entire assessed property valuation, second only to residential single family units. The retail industry is projected to stay strong if population projections remain as they are.

Banking Industry

The banking industry in the Webb County/District area remains strong with ten financial institutions operating in the county/district. Bank of America and First National Bank opened to the public in 2003. The banking industry has combined total assets of over \$696.9 billion.

Long-term Facilities Planning

The District is growing at a rate of about 800 students per year. As such, classrooms must be provided to accommodate this growth. A long-range facility master plan developed by administration includes a projected district-wide enrollment increase of 1,527 students over the next four years. The District is projected to be at 42,420 students for school year 2012-2013.

Faced with the challenge of providing a quality education for increasing numbers of students, the Board of Trustees invited community members to explore options for dealing with this growth. A 100 member Blue Ribbon Committee, composed of parents, District patrons and community members, was appointed by the Board. After conducting demographic studies, needs assessments, and considering the District's growth, the Blue Ribbon Committee presented its recommendations on how to handle the District's growth. In May of 2007, the constituents of United ISD did not pass a bond election of approximately \$400 million.

The Board of Trustees along with the community will determine when it is most appropriate to call for a new bond election. The majority of the funds will be for new construction and additions/renovations to existing schools and other facilities. The remaining portion of funds will be used for instructional technology which includes network wiring/infrastructure and additional equipment designed to aid students and teachers in the learning process.

However, the District has applied for \$17.4 million in Qualified School Construction Bonds through the American Recovery and Reinvestment Tax Act of 2009. UISD will use these funds to replace and upgrade fire detection and alarm systems, HVAC replacements, electrical and lighting systems upgrades, roof replacements, ADA compliance renovations and repair the District's original athletic complex.

Debt Service

Debt Service is a major area of cost due to the District's building program which is primarily financed by the sale of general obligation bonds. The Texas Education Code (TEC) authorizes the District to issue negotiable coupon bonds to construct, acquire, or equip school buildings, to purchase necessary sites, or to acquire or refinance property financed under a contract entered into under the Public Property Finance Act. The

District is further authorized to levy and assess annual ad valorem taxes sufficient to pay the principal and interest on the bonds as they become due. The District's primary objective in debt management is to keep the level of indebtedness within available resources and within legal debt limitations.

All bond elections are held in accordance with statutory requirements and bonds are issued and taxes are levied in compliance with Sections 45.001, 45.003(b)(1), and 45.003(e) of the Texas Education Code.

As of August 31, 2009, the District had \$279,997,499 of School Building Unlimited Tax Bonds, Capital Appreciation Bonds and Public Property Finance Contractual Obligations, with maturities extending into the year 2035. The District's Debt Service fund balance is \$6,190,555 as of August 31, 2009.

Cash Management

In 2008-2009, the Board approved the District's investment policies as required by the Public Funds Investment Act. The authorized investment officers for the District are the Associate Superintendent for Student Support Services, the Assistant Superintendent for Business and Finance and the Director of Accounting. The District's main investment strategy is to assure the safety of the invested funds at the highest possible yield, while providing sufficient liquidity to meet cash outflows. The District invests primarily in Certificates of Deposit, obligations of U.S. agencies, and government investment pools.

During the 2006-2007 fiscal year, the Board of Trustees approved the biennium depository contract with the BBVA - Compass Bank through August 31, 2009. The depository has been working with the District for the past 16 years. In 2009-2010 the Board of Trustees approved a new depository with Wells Fargo Bank.

Risk Management

For 2008-2009, the Risk Management Department ensured that the District maintained adequate insurance coverage to protect the District's assets and employees. The Director of Risk Management solicited proposals from insurance companies for property and casualty coverage, workers compensation coverage, errors and omissions coverage, and employee health insurance coverage.

Through the efforts of the Department, the District has been able to keep premium costs in workers compensation coverage about the same, even with the addition of new personnel. The department's Safety Office training program is active in addressing work related injuries, resulting in the District not being classified as a hazardous employer.

The Risk Management Department has also been assigned the duty of coordinating the District's Employee Benefits Committee. This committee is made up of employees from each area of the District, such as teachers, administrators, and paraprofessionals. Through the efforts of the committee, health insurance coverage was provided to District

employees at only a slight increase in cost. The committee has also been assigned the task of maintaining the District's Section 125 (cafeteria) Plan. The committee was able to form a benefits package that included a medical reimbursement plan, child-care reimbursement plan, health insurance plan, cancer plan, disability plan, life insurance plan, dental plan, and vision plan.

Pension Plan

The District contributes to the Teacher Retirement System of Texas (TRS), a public employee, cost-sharing multiple employer defined benefit pension plan. TRS operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. Additional information can be found in Note J in the notes to the financial statements.

Fiduciary Operations

The District maintains the fiduciary responsibility of monitoring the individual campus' student activity funds. The District ensures that proper control over cash is maintained and that all procedures are in accordance with TEA's Financial Accountability Systems Resource Guide. As of August 31, 2009, total assets for student activity funds were \$1,356,493.

Certificates of Achievement and Excellence

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to United Independent School District for its comprehensive annual financial report for the fiscal year ended August 31, 2008. This was the tenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the District received the GFOA's Distinguished Budget Presentation Award for its annual budget document for fiscal year 2008-2009. This is the seventh consecutive year the award has been received. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgments

Preparation of the Comprehensive Annual Financial Report takes dedication and commitment by staff members district-wide. The Division of Finance would like to thank the following personnel for the time and effort given to the preparation of this report:

Executive Administration

Mr. Roberto J. Santos, Superintendent of Schools

Mr. Eduardo Zuñiga, CPA, Associate Superintendent for Student Support Services

Ms. Pamela Juarez, Associate Superintendent for Instruction

Mr. David Garcia, Assistant Superintendent for Human Resources

Mr. Enrique Rangel, Assistant Superintendent for Facilities/Construction/Student Services

Ms. Laida P. Benavides, CPA, Assistant Superintendent for Business and Finance

Division of Finance

Mr. Samuel D. Flores, Director of Accounting

Mr. Robert Chapa, Director of Risk Management

Ms. Consuelo Gonzalez, Director of Fixed Assets

Ms. Norma Farabough, Tax Assessor/Collector

Ms. Rosa I. Cabello, Accounting Manager

Ms. Belinda E. Salazar, Budget Manager

Ms. Elsa Pena, Senior Accountant

Ms. Terry Veliz, Budget Accountant

Ms. Irene G. Ruiz, Staff Accountant

Mr. Mario Gonzalez, Staff Accountant

Ms. Janie Leal, Executive Secretary

We would especially like to thank the District's Board of Trustees for their time, dedication and support to the District and its personnel and our independent auditors, Garza/Gonzalez & Associates for their assistance in the preparation of this report.

Samuel D. Flores
Director of Accounting

Laida P. Benavides, CPA
Asst. Superintendent for Business/Finance

UNITED INDEPENDENT SCHOOL DISTRICT

PRINCIPAL DISTRICT OFFICIALS

Board of Trustees

Pat Campos, President
Juan Antonio Molina, Jr., Vice-President
Juan Roberto Ramirez, Jr., Secretary
Ricardo Molina, Parliamentarian
Ricardo Rodriguez, Member
William B. Johnson, Member
Judd Gilpin, Member

Administrators

Roberto J. Santos, Superintendent
Eduardo Zuñiga, CPA, Associate Superintendent Student Support Services
Pamela Juarez, Associate Superintendent of Curriculum and Instruction
Laida P. Benavides, CPA, Assistant Superintendent for Business & Finance
Enrique Rangel, Assistant Superintendent of Facilities, Construction & Student Services
David Garcia, Assistant Superintendent for Human Resources

Certificate of Achievement for Excellence in Financial Reporting

Presented to

United Independent School District, Texas

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended
August 31, 2008

A Certification of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to Government units and public employee retirement Systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

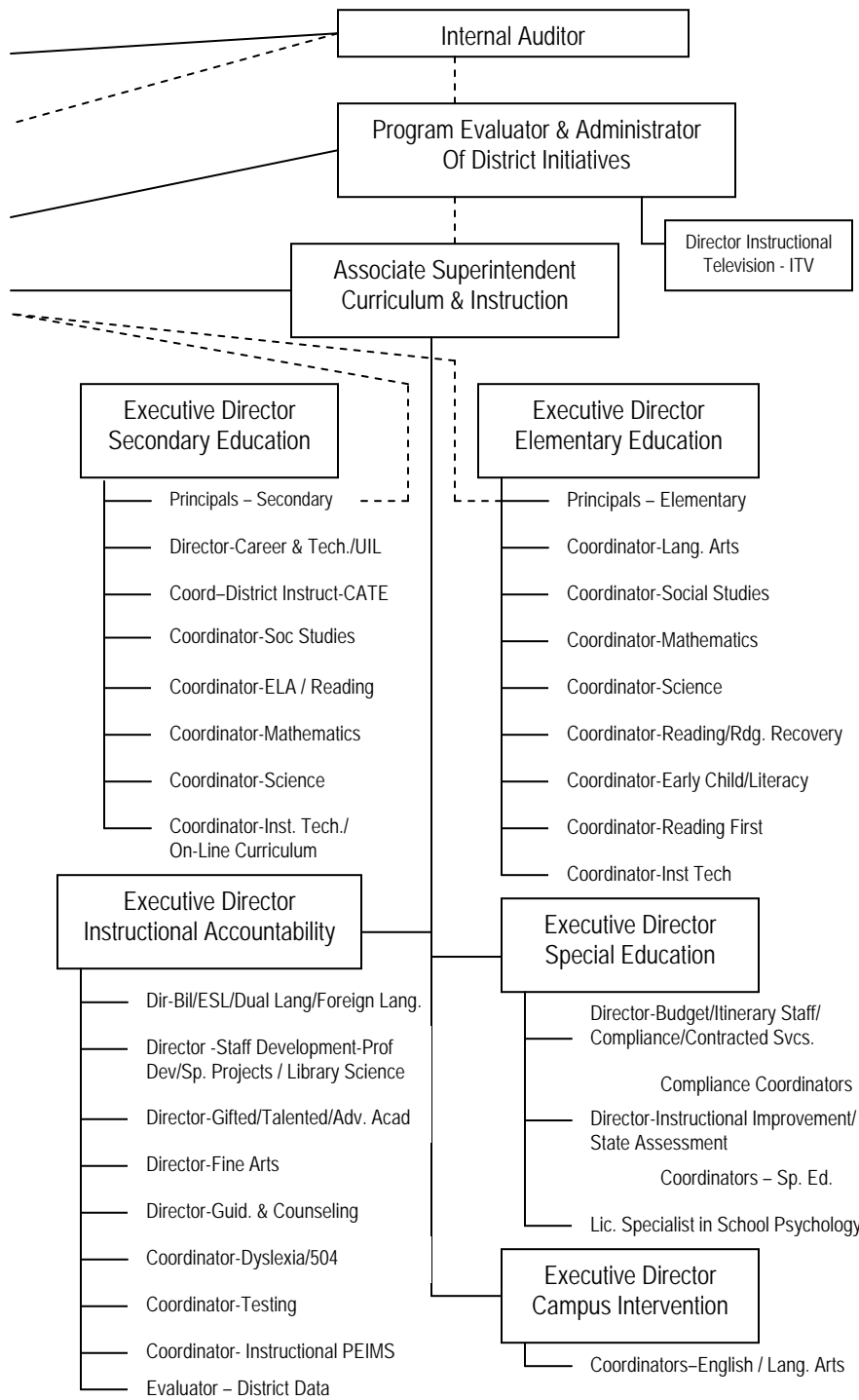


A handwritten signature in black ink, appearing to read "M. L. R. H.", written in a cursive style.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Egan", written in a cursive style.

Executive Director





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Independent Auditor's Report



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INDEPENDENT AUDITORS' REPORT

Board of School Trustees
United Independent School District
Laredo, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the United Independent School District (District) as of and for the year ended August 31, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express 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 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund 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 November 30, 2009, on our consideration of the 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis as listed on the Table of Contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section, TEA required schedules and the schedule of capital assets used in the operation of governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*, and is also not a required part of the basic financial statements of the District. The combining and individual nonmajor fund financial statements, TEA required schedules, the schedule of capital assets used in the operation of governmental funds, and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

November 30, 2009



Management's Discussion and Analysis



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MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED

In this section of the Comprehensive Annual Financial Report, we, the managers of United Independent School District, discuss and analyze the District's financial performance for the fiscal year ended August 31, 2009. Please read it in conjunction with the independent auditors report on page 17, and the District's Basic Financial Statements which begin on page 33.

FINANCIAL HIGHLIGHTS

- The District's net assets increased by \$16,354,812 as a result of this year's operations. While net assets of our business-type activities decreased by \$153,075, just over 6.5%, net assets of our governmental activities increased by \$16,507,887, 14.8%. The most significant item that affected this change in net assets was an increase in state revenue due to a restructuring of State aid. Revenues for governmental activities increased by \$14,269,909.
- The District's business-type activities, combined revenues increased to \$19,960,746, over 3.5%, while expenses increased to \$20,113,821, slightly over 1.5% over last year.
- The General Fund reported a fund balance this year of \$82,617,185, an increase of \$10,977,194 from last year. This increase can be accounted for by an increase in State and Federal revenue and the reclassification of expenditures to other funds. For Fiscal Year 2008-2009, the District recognized \$1,831,000 in additional State Revenue. Revenue from the Texas School Health and Related Services (SHARS) and Medicaid Administrative Claiming (MAC) brought \$1,400,000 over budget, \$1,000,000 and \$400,000 respectively. The District budgeted \$1,300,000 for expenditures in the General Fund that qualified for reclassification to the High School Allotment Special Revenue Fund. An additional \$2,028,968 of unspent general fund funds for minor construction projects, along with unspent proceeds from Public Property Finance Contractual Obligations (PPFCO) of \$1,550,150 and an the liquidation of stale purchase orders of \$2,400,000 represent funds not spent during the fiscal year. Some of these items are listed as designations and reserves in the fund equity section of the Balance Sheet for Governmental Funds and detailed explanations are found in the accompanying notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The District's annual report consists of the management's discussion and analysis and the basic financial statements only. The District did not report any data under the required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government wide financial statements* that provide both long-term and short-term information about the District's overall financial status. They provide information about the activities of the District as a whole and reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.
- The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services were financed in the short-term as well as what remains for future spending.

- Proprietary fund statements offer short- and long-term financial information about the activities the government operates like businesses, such as the food service enterprise fund.
- Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes starting on page 53 that provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for non-major funds contain even more information about the District's individual funds. These are not required by TEA. 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 condition and operation begins on page 33. The government-wide statements report information about the activities of the District as a whole using accounting methods similar to those used by private-sector companies. The *Statement of Net Assets* includes all of 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 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 or 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.

The two government-wide statements report the District's net assets and how they have changed. Net assets – the difference between the District's assets and liabilities – are one way to measure the District's financial health or financial position. Over time, increase or decrease in the District's net assets is an indicator of whether its financial health is improving or deteriorating, respectively. 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:

- Government Activities – Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, transportation, maintenance, and general administration. Property taxes 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 costs of services it provides in the Child Nutrition Program.

Reporting the District's Most Significant Funds

Fund Financial Statements

The *Fund Financial Statements* begin on page 36 and provide detailed information about the District's 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 and such as bond covenants. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District's three kinds of funds – governmental, proprietary, and fiduciary – use different accounting approaches.

- Governmental funds – Most of the district's basic services are reported in the 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 C2 and C4 located on pages 39 and 43 respectively following each of the fund financial statements.
- Proprietary funds – The District reports the activities for which it charges users 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 fund (one category of proprietary funds) is the business-type activities reported in the government-wide statements with more detail and additional information, such as cash flows.
- Fiduciary funds – The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that – because of a trust arrangement – can be used only for their intended purposes. All of the District's fiduciary activities are reported in a separate *Statement of Fiduciary Net Assets* on page 49. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Our analysis focuses on the net assets (Table A-1) and changes in net assets (Table A-2) of the District's governmental and business-type activities.

Net Assets of the District's governmental activities increased from \$110.8 million to \$127.4 million. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by bond covenants, enabling legislation, or other legal requirements – was \$54.0 million at August 31, 2009 (Table A-1). The increase in governmental net assets is mainly the result of the District's capital assets increasing by roughly \$14.3 million and long-term liabilities decreasing by \$8.4 million (Table A-1). The Net Assets from our business-type activities decreased by \$153,075 for the year. This decrease is relatively insignificant to the overall operations of the District and to the services from the Food Production Department.

Table A-1

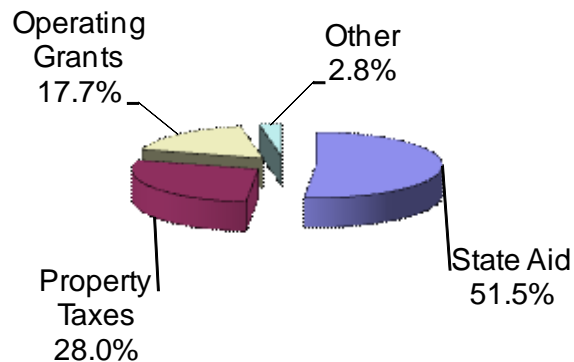
Changes in United Independent School District's Net Assets
(In millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2009	2008	2009	2008	2009	2008	2009-2008
Current Assets:							
Cash and Cash Equivalents	\$ 98.4	\$ 84.6	\$ 0.7	\$ 1.4	\$ 99.1	\$ 86.0	15.2%
Current Investments	15.0	-	-	-	15.0	-	#DIV/0!
Property Taxes Receivable	7.4	6.5	-	-	7.4	6.5	13.5%
Allowance for Uncollectible Taxes	(3.0)	(3.5)	-	-	(3.0)	(3.5)	-14.9%
Due from other Governments	6.0	28.8	0.5	0.4	6.5	29.2	-77.8%
Accrued Interest	0.4	-	-	-	0.4	-	100.0%
Internal Balances	(0.61)	(0.16)	0.61	0.16	-	(0.0)	0.0%
Other Receivables	0.02	0.00	0.030	0.001	0.0	0.0	2742.0%
Inventories - Supp. and materials	0.4	0.1	0.4	0.3	0.8	0.4	90.8%
Prepaid Expenses	0.7	0.6	-	-	0.7	0.6	4.3%
Total Current Assets:	\$ 124.7	\$ 116.9	\$ 2.2	\$ 2.3	\$ 126.9	\$ 119.2	6.4%
Noncurrent Assets:							
Capital Assets	\$ 495.9	\$ 466.6	\$ 4.2	\$ 4.0	\$ 500.1	\$ 470.6	6.3%
Less Accum. depreciation	(163.0)	(148.0)	(3.6)	(3.4)	(166.6)	(151.5)	10.0%
Total Noncurrent Assets	\$ 333.0	\$ 318.6	\$ 0.6	\$ 0.6	\$ 333.6	\$ 319.2	4.5%
Restricted Assets	\$ 0.1	\$ -	\$ -	\$ -	\$ 0.1	\$ -	100.0%
Total Assets	\$ 457.6	\$ 435.5	\$ 2.8	\$ 2.9	\$ 460.5	\$ 438.4	5.0%
Current Liabilities:							
A/P and accrued liabilities	\$ 8.7	\$ 5.3	\$ 0.3	\$ 0.2	\$ 9.0	\$ 5.5	63.7%
Short-term Debt Payable	-	-	0.04	0.07	0.0	0.1	
P/R Deductions & W/holding	0.1	0.2			0.1	0.2	
Accrued Wages Payable	9.4	8.2	0.2	0.1	9.6	8.3	15.6%
Due to other Government	9.98	0.74			10.0	0.7	
Due to student groups	0.01	0.04			-	0.0	
Accrued Expense	0.08	0.05			0.1	0.0	71.9%
Unearned Revenues	0.2	0.1	0.09	0.06	0.3	0.2	66.5%
Payable from Restricted Assets	0.4	0.2	-	-	0.4		
Total Current Liabilities	28.9	14.8	0.6	0.5	29.5	15.3	92.6%
Non-Current Liabilities:							
Due Within One Year	19.9	19.4			19.9	19.4	2.7%
Due in More Than One Year	281.5	290.4	0.1	0.1	281.5	290.5	-3.1%
Total Liabilities	\$ 330.2	\$ 324.6	\$ 0.7	\$ 0.6	\$ 331.0	\$ 325.2	1.8%
Net assets:							
Invested in capital assets, Net Debt	\$ 45.0	\$ 34.6	\$ 0.5	\$ 0.5	\$ 45.5	\$ 35.1	29.7%
Restricted for:							
Federal and State Programs	0.2	1.2			0.2	1.2	
Debt Service Fund	15.0	16.4			15.0	16.4	-8.3%
Capital Projects	18.3	19.9			18.3	19.9	-8.0%
Restricted for Other Purposes	1.7	-			1.7	-	100.0%
Unrestricted	47.2	38.5	1.6	1.7	48.8	40.2	21.3%
Total Net Assets	\$ 127.4	\$ 110.8	\$ 2.1	\$ 2.2	\$ 129.5	\$ 113.0	14.6%

In 2009, the District's total revenues increased by \$15.0 million. A significant portion, 51.5% of the District's revenue comes from state aid formula grants, 28.0% comes from property taxes, while another 17.7% is received from operating grants (Figure A-1). The total cost of all programs and services was \$370.7 million; 80% of these costs are for instructional and student services (Table A-2).

Sources of Revenues for Fiscal Year 2009

Figure A - 1



The District took actions this year to compensate for increases in costs due to a growing student population.

- The restructuring of the state aid formula by the State of Texas Legislature in 2006 produced State aid of \$199.5 million, a \$2.2 million increase from last year.
- An increase in restricted operating grants of \$3.1 million and an increase of \$2.2 million in non restricted grants for the year also assisted the District with the additional costs associated with a growing student population of over 787 students from the prior year.
- The District implemented a purchasing deadline to address savings in order to redirect expenditures where necessary.

Table A-2 outlines the District's changes in revenues and expenses.

Table A-2

Changes in United Independent School District's Revenues and Expenses
(In millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2009	2008	2009	2008	2009	2008	2009-2008
Program Revenues							
Charges for service	\$ 1.5	\$ 1.3	\$ 2.9	\$ 2.9	\$ 4.4	\$ 4.2	4.1%
Operating Grants and Contributions	48.5	46.2	17.0	16.2	65.5	62.4	4.9%
General Revenues							
Property Taxes	108.2	95.3	-	-	108.2	95.3	13.6%
State Aid - formula	199.5	197.3	-	-	199.5	197.3	1.1%
Grants and Contributions not Restricted	2.9	0.7	-	-	2.9	0.7	315.8%
Investment Earnings	2.8	5.6	0.02	0.1	2.8	5.6	-50.0%
Other	3.8	6.3	-	-	3.8	6.3	-39.4%
Total Revenues	\$ 367.1	\$ 352.7	\$ 20.0	\$ 19.2	\$ 387.1	\$ 371.8	4.1%
Instruction	\$ 198.2	\$ 186.5	\$ -	\$ -	\$ 198.2	\$ 186.5	6.3%
Instructional Resources and Media	6.5	5.0	-	-	6.5	5.0	29.3%
Curriculum Dev./Instructional Staff Dev.	1.7	1.5	-	-	1.7	1.5	12.3%
Instructional Leadership	7.7	7.0	-	-	7.7	7.0	9.9%
School Leadership	20.1	19.1	-	-	20.1	19.1	5.6%
Guidance/Counseling/Evaluation Svcs	12.9	12.2	-	-	12.9	12.2	5.2%
Social Work Services	1.9	1.7	-	-	1.9	1.7	12.1%
Health Services	3.5	3.2	-	-	3.5	3.2	9.8%
Student transportation	14.2	12.9	-	-	14.2	12.9	10.6%
Food Services	1.1	1.3	20.1	19.7	21.2	21.0	1.0%
Co/Extracurricular Activities	9.8	9.0	-	-	9.8	9.0	8.2%
General Administration	10.8	10.1	-	-	10.8	10.1	6.4%
Plant Maintenance & Oper.	35.4	32.4	-	-	35.4	32.4	9.2%
Security & Monitoring Svcs.	6.5	6.4	-	-	6.5	6.4	2.0%
Data Processing Services	3.8	3.8	-	-	3.8	3.8	-1.1%
Community Services	0.7	0.8	-	-	0.7	0.8	-8.3%
Debt Services	14.0	13.8	-	-	14.0	13.8	1.9%
Juvenile Justice Alt. Education Prg.	0.3	0.3	-	-	0.3	0.3	1.4%
Other Intergovernmental Charges	1.4	1.3	-	-	1.4	1.3	100.0%
Total Expenses	\$ 350.6	\$ 328.4	\$ 20.1	\$ 19.7	\$ 370.7	\$ 348.1	6.5%
Change in Net Assets	\$ 16.5	\$ 24.3	\$ (0.15)	\$ (0.57)	\$ 16.4	\$ 23.72	N/A
Net Assets -- Beginning	\$ 110.8	\$ 86.5	\$ 2.2	\$ 2.8	\$ 113.0	\$ 89.3	26.5%
Net Assets -- Ending	\$ 127.4	\$ 110.8	\$ 2.1	\$ 2.2	\$ 129.5	\$ 113.0	14.5%

Table A-3 presents the cost of each of the District's largest functions, as well as, each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects funding by state revenues as well as local tax dollars.

Table A-3

Net Cost of Selected District Functions
(In millions of dollars)

	Total Cost of Services		% Change	Net Cost of Services		% Change
	2009	2008	2009-2008	2009	2008	2009-2008
Instruction & Instruction Related	\$ 206.4	\$ 192.9	7.0%	\$ 171.4	\$ 159.1	7.7%
Instructional and School Leadership	27.9	26.1	6.8%	23.2	20.9	11.1%
Plant Maintenance & Operations	35.4	32.4	9.3%	34.5	30.8	12.0%
Debt Service - Interest & Fiscal Charges	14.0	13.7	2.1%	12.7	13.5	-5.8%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on pages 36 and 37) reported a combined fund balance of \$92.0 million, which is lower than the last year's total of \$99.9 million. The main contributing factor to this decline is the completion of construction projects which resulted in a negative net change in fund balance of \$16.1 million in the Capital Projects Fund and a decrease in the Debt Services fund balance of \$2.2 million. The decrease in the Debt Service fund balance was a budgeted decrease adopted to maintain the debt service tax rate at .15 cents per \$100 valuation. However, these declines were offset by an increase of \$10.9 million in the General Fund. A significant portion of this increase comes from items that were budgeted but not purchased during the fiscal year. The District budgeted \$8.7 million for land but only spent \$1.1 million for land preparation fees leaving \$7.6 million of unspent funds. An additional \$2,028,968 of unspent general fund funds for minor construction projects, along with unspent proceeds from Public Property Finance Contractual Obligations (PPFCO) of \$1,550,150 and an the liquidation of stale purchase orders of \$2,400,000 represent funds not spent during the fiscal year. Some of these items are listed as designations and reserves in the fund equity section of the Balance Sheet for Governmental Funds and detailed explanations are found in the accompanying notes to the financial statements.

Revenues from governmental fund types totaled \$365.4 million an increase of \$12.7 million over last year's revenue. The main reason for the increase is a result of the restructuring of the state aid formula by the State of Texas Legislature in 2006 which increased state aid by \$10.4 million from last year. This increase can also be accounted for by an increase in Federal revenue. Revenue from the Texas School Health and Related Services (SHARS) and Medicaid Administrative Claiming (MAC) brought \$1,400,000 over budget, \$1,000,000 and \$400,000 respectively.

General Fund Budgetary Highlights

Over the course of the year, the Board of Trustees revised the District's budget several times.

These budget amendments fall into three categories:

- The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in August 2008). These amendments are not a part of the original budget adopted by the Board of Trustees before the beginning of the 08-09 Fiscal Year. These amendments included \$4.7 million in outstanding encumbrances at the end of August 31, 2009.
- The second category includes changes that the Board made during the fiscal year, one of which addressed the need to amend the District's budget by \$1.6 million; \$175 thousand to repair a detention pond, \$500 thousand for ADA compliance issues, \$690 thousand for removal/replacement of fuel storage tanks, and \$237 thousand for the additional of a high school soccer field. Another amendment of \$213 thousand added a marching to an existing high school. The Board approved to purchase a building to centralize the District's Instructional Department at a cost of \$1,500,000. The Board of Trustees also amended the budget by \$4.1 million to re-encumber prior year purchase orders. In addition, an amendment was made at the end of the year to add \$14.9 million to state program budgeted revenues and appropriated payroll expenditures to recognize the state's contribution to the Teacher Retirement System of Texas (TRS) on-behalf of the District's employees. One final amendment in the amount of \$8.7 million was to purchase land for future school sites, however, the District only spent \$1.1 million of these funds in 2009.
- The third category involved amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

Even with these adjustments, actual expenditures were \$26.4 million below the final budget amount with actual revenues exceeding the amended budget by \$0.82 million. The most significant positive variances resulted from savings in budgeting for staff for full employment for positions that were vacant for some portion of the year, a land purchase budget of \$8.7 million with only \$1.1 being spent, and an aggressive approach on tax collections along with the restructuring of the state aid calculation which produced a \$1.0 million positive variance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2009, the District had \$332.9 million invested in a broad range of capital assets (net of depreciation), including land, equipment, buildings, and vehicles (Table A-4).

Table A-4

United Independent School District's Capital Assets
(In millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2009	2008	2009	2008	2009	2008	2009-2008
Land	\$ 28.7	\$ 26.4	\$ -	\$ -	\$ 28.7	\$ 26.4	9.0%
Buildings	421.5	356.9	0.1	0.1	421.5	357.0	18.1%
Vehicles	23.8	21.0	0.9	0.9	24.7	21.9	13.0%
Furniture & Equipment	20.8	19.2	3.2	3.1	24.0	22.3	7.7%
Other - C.I.P.	1.1	43.1	-	-	1.1	43.1	-97.4%
Totals	\$ 495.9	\$ 466.6	\$ 4.2	\$ 4.0	\$ 500.1	\$ 470.6	6.3%
Total accumulated depreciation	\$ (163.0)	\$ (148.0)	\$ (3.6)	\$ (3.4)	\$ (166.6)	\$ (151.5)	10.0%
Net capital assets	\$ 332.9	\$ 318.6	\$ 0.6	\$ 0.6	\$ 333.6	\$ 319.2	4.5%

On November 22, 2003, the District's constituents voted for a \$142,000,000 bond issue. To date, all available bonds have been issued. Of the total amount, only \$1.1 million remains in construction in progress. The District fully expects to complete these remaining projects in 2009-2010.

The District issued \$7,350,000 in Public Property Finance Contractual Obligations in 2009 for the purchase of school buses, vehicles, plant maintenance equipment and technology equipment. More detailed information about the District's capital assets is presented in Note F to the Financial Statements on page 66.

Long Term Debt

At the end of the year, the District had \$300.1 million in bonds and notes outstanding as shown in Table A-5. The District maintained its general obligation bond rating of an "A+" by Fitch and "A1" with Moody's, as well as, an increase to an "A+" with Standard & Poor's. More detailed information about the District's debt is presented in the Note G to the Financial Statements page 68.

Table A-5

United Independent School District's Long Term Debt
(In millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2009	2008	2009	2008	2009	2008	2009-2008
Bonds Payable	\$ 297.9	\$ 305.8	\$ -	\$ -	\$ 297.9	\$ 305.8	-2.6%
Notes and Leases Payable	2.2	2.7	0.1	0.1	2.3	2.8	-18.0%
Total bonds, notes and leases payable	\$ 300.1	\$ 308.5	\$ 0.1	\$ 0.1	\$ 300.2	\$ 308.6	-2.7%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's appointed officials considered many factors when setting the fiscal year 2010 budget and tax rates. One major factor is the District's student population growth. The District's 2009-2010 refined average daily attendance is expected to be 37,884, an increase of 1.1% from the previous year or approximately 421 students. The City of Laredo continues to experience moderate growth as it has had over the past couple of years.

The 79th Legislature for the State of Texas passed HB1 which required all school districts to adopt an M&O tax rate at 66.67% of its 2005-2006 tax rate for the 2007-2008 fiscal year. As a result, United Independent School District's M&O tax rate decreased from \$1.379 to \$0.92. However, HB1 gave authority to the Board of Trustees to increase this rate an additional \$0.04 over a two year period with an additional \$0.06 increase not to exceed the calculated rollback rate for 2007-2008, which allows UISD to have an M&O tax rate of \$1.04. The Board elected to adopt a final tax rate of \$1.18 for fiscal year 2008-2009, but did increase the maintenance and operations tax rate to \$1.04 for a total tax rate of \$1.19 for 2009-2010.

In addition, HB1 guaranteed school districts would not lose revenue as a result of this tax rate reduction. In fact, United Independent School District was able to adopt a balanced budget for the General Fund for 2010.

In order to keep the tax rate at the minimum necessary to meet debt service requirements for 2009-2010, the Board of Trustees is contemplating to transfer \$3.9 million from the General Fund fund balance to Debt Service fund balance. The District is confident that this decision will not affect the level of required fund balance in neither the General Fund nor Debt Service Fund.

Increased wages and salaries caused virtually all of the increase in budgeted expenditures. The District's major project for 2010 is opening of a new high school that will service over 3,000 students as well as planning to meet the needs of additional student growth of over 779 new students.

UISD anticipates issuing a Capital Lease of \$3.5 million for approximately 5,000 computers in 2010 to upgrade, replace and add new computers for all schools.

In addition, the District has applied for \$17.4 million in Qualified School Construction Bonds through the American Recovery and Reinvestment Tax Act of 2009. UISD will use these funds to replace and upgrade fire detection and alarm systems, HVAC replacements, electrical and lighting systems upgrades, roof replacements, ADA compliance renovations and repair the District's original athletic complex.

These indicators were taken into account when adopting the General Fund budget for 2009-2010. Amounts available for appropriation in the General Fund budget are \$300.9 million. Property taxes will increase due to the increasing values. State revenues will increase as the student population increases. The District will use its revenues to finance programs we currently offer.

Furthermore, the District will continue to pursue an instructional facilities needs assessment plan that will address the need for new instructional facilities through out the District.

If these estimates are realized, the District's budgetary fund balance of the general fund is not expected to change by the close of 2009-2010.

CONTACTING THE DISTRICT'S FINANCIAL MANAGMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the District's Finance Division, at United Independent School District, 201 Lindenwood, Laredo, Texas 78045 or visit us at www.uisd.net.



Basic Financial Statements



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UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
AUGUST 31, 2009

Data Control Codes	1	2 Primary Government	3
	Governmental Activities	Business Type Activities	Total
ASSETS			
1110 Cash and Cash Equivalents	\$ 98,406,228	\$ 712,824	\$ 99,119,052
1120 Current Investments	15,000,000	-	15,000,000
1220 Property Taxes Receivable (Delinquent)	7,376,724	-	7,376,724
1230 Allowance for Uncollectible Taxes	(2,996,317)	-	(2,996,317)
1240 Due from Other Governments	5,964,661	505,874	6,470,535
1250 Accrued Interest	425,052	-	425,052
1260 Internal Balances	(610,154)	610,154	-
1290 Other Receivables, net	15,359	30,405	45,764
1300 Inventories	403,838	350,154	753,992
1410 Prepaid Expenses	673,741	-	673,741
Capital Assets:			
1510 Land	28,737,232	-	28,737,232
1520 Buildings, Net	284,304,927	42,009	284,346,936
1530 Furniture and Equipment, Net	18,771,565	577,953	19,349,518
1580 Construction in Progress	1,137,665	-	1,137,665
1800 Restricted Assets	50,000	-	50,000
1000 Total Assets	<u>457,660,520</u>	<u>2,829,374</u>	<u>460,489,893</u>
LIABILITIES			
2110 Accounts Payable	8,704,393	269,196	8,973,589
2120 Short Term Debt Payable	-	41,258	41,258
2150 Payroll Deductions & Withholdings	95,429	-	95,429
2160 Accrued Wages Payable	9,410,535	212,842	9,623,377
2180 Due to Other Governments	9,983,064	-	9,983,064
2190 Due to Student Groups	13,641	-	13,641
2200 Accrued Expenses	78,399	-	78,399
2300 Unearned Revenues	230,666	88,107	318,773
2400 Payable from Restricted Assets	363,916	-	363,916
Noncurrent Liabilities			
2501 Due Within One Year	19,910,053	-	19,910,053
2502 Due in More Than One Year	281,466,909	79,489	281,546,398
2000 Total Liabilities	<u>330,257,005</u>	<u>690,892</u>	<u>330,947,897</u>
NET ASSETS			
3200 Invested in Capital Assets, Net of Related Debt	44,995,965	540,643	45,536,608
Restricted for:			
3820 Restricted for Federal and State Programs	217,396	-	217,396
3850 Restricted for Debt Service	15,035,373	-	15,035,373
3860 Restricted for Capital Projects	18,316,010	-	18,316,010
3890 Restricted for Other Purposes	1,654,684	-	1,654,684
3900 Unrestricted Net Assets	47,184,087	1,597,839	48,781,926
3000 Total Net Assets	<u>\$ 127,403,515</u>	<u>\$ 2,138,482</u>	<u>\$ 129,541,997</u>

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 198,228,414	\$ 1,420	\$ 32,323,911
12 Instructional Resources and Media Services	6,518,811	-	1,431,726
13 Curriculum and Instructional Staff Development	1,680,531	-	1,308,551
21 Instructional Leadership	7,747,936	-	3,494,843
23 School Leadership	20,136,883	-	1,196,476
31 Guidance, Counseling and Evaluation Services	12,875,394	-	2,380,139
32 Social Work Services	1,857,542	-	96,802
33 Health Services	3,535,339	-	176,718
34 Student (Pupil) Transportation	14,216,161	-	631,293
35 Food Services	1,126,276	951,911	1,279,044
36 Extracurricular Activities	9,753,962	502,887	95,994
41 General Administration	10,788,539	-	470,315
51 Plant Maintenance and Operations	35,397,104	-	903,637
52 Security and Monitoring Services	6,532,984	-	296,971
53 Data Processing Services	3,805,495	-	574,692
61 Community Services	693,390	-	521,444
72 Debt Service - Interest on Long Term Debt	13,954,641	-	1,276,191
73 Debt Service - Bond Issuance Cost and Fees	53,723	-	-
81 Facilities Acquisition and Construction	-	-	-
95 Juvenile Justice Alternative Ed. Prg.	340,000	-	-
99 Webb County Appraisal District	1,367,196	-	-
[TG] Total Governmental Activities:	<u>350,610,319</u>	<u>1,456,218</u>	<u>48,458,746</u>
BUSINESS-TYPE ACTIVITIES:			
35 Enterprise Fund - National School Breakfast&Lunch	20,113,821	2,915,169	17,028,120
[TB] Total Business-Type Activities:	<u>20,113,821</u>	<u>2,915,169</u>	<u>17,028,120</u>
[TP] TOTAL PRIMARY GOVERNMENT:	<u>\$ 370,724,140</u>	<u>\$ 4,371,387</u>	<u>\$ 65,486,866</u>
Data Control Codes	General Revenues:		
MT	Taxes:		
DT	Property Taxes, Levied for General Purposes		
SF	Property Taxes, Levied for Debt Service		
GC	State Aid - Formula Grants		
IE	Grants and Contributions not Restricted		
MI	Investment Earnings		
TR	Miscellaneous Local and Intermediate Revenue		
	Total General Revenues		
CN	Change in Net Assets		
NB	Net Assets--Beginning		
NE	Net Assets--Ending		

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

Net (Expense) Revenue and Changes in Net Assets		
6	7	8
Primary Government		
Governmental Activities	Business Type Activities	Total
\$ (165,903,082)	\$ -	\$ (165,903,082)
(5,087,086)	-	(5,087,086)
(371,980)	-	(371,980)
(4,253,092)	-	(4,253,092)
(18,940,407)	-	(18,940,407)
(10,495,255)	-	(10,495,255)
(1,760,740)	-	(1,760,740)
(3,358,621)	-	(3,358,621)
(13,584,868)	-	(13,584,868)
1,104,679	-	1,104,679
(9,155,081)	-	(9,155,081)
(10,318,224)	-	(10,318,224)
(34,493,467)	-	(34,493,467)
(6,236,012)	-	(6,236,012)
(3,230,804)	-	(3,230,804)
(171,945)	-	(171,945)
(12,678,450)	-	(12,678,450)
(53,723)	-	(53,723)
-	-	-
(340,000)	-	(340,000)
(1,367,196)	-	(1,367,196)
<u>(300,695,355)</u>	<u>-</u>	<u>(300,695,355)</u>
-	(170,533)	(170,533)
-	(170,533)	(170,533)
<u>(300,695,355)</u>	<u>(170,533)</u>	<u>(300,865,887)</u>
94,063,168	-	94,063,168
14,147,952	-	14,147,952
199,460,770	-	199,460,770
2,890,363	-	2,890,363
2,797,119	17,457	2,814,576
3,843,870	-	3,843,870
<u>317,203,242</u>	<u>17,457</u>	<u>317,220,699</u>
16,507,887	(153,075)	16,354,812
110,895,628	2,291,557	113,187,185
<u>\$ 127,403,515</u>	<u>\$ 2,138,482</u>	<u>\$ 129,541,997</u>

UNITED INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2009

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
ASSETS			
1110 Cash and Cash Equivalents	\$ 83,729,506	\$ 5,615,607	\$ 7,782,491
1120 Investments - Current	15,000,000	-	-
1220 Property Taxes - Delinquent	6,356,164	1,020,560	-
1230 Allowance for Uncollectible Taxes (Credit)	(2,550,705)	(445,612)	-
1240 Due from Other Governments	1,033,294	-	-
1250 Accrued Interest	424,249	-	-
1260 Due from Other Funds	2,597,106	-	-
1290 Other Receivables	14,188	-	-
1300 Inventories	403,838	-	-
1410 Prepaid Expenditures	673,741	-	-
1800 Restricted Assets	-	-	-
1000 Total Assets	<u>\$ 107,681,381</u>	<u>\$ 6,190,555</u>	<u>\$ 7,782,491</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
2110 Accounts Payable	\$ 3,026,280	\$ -	\$ 3,958,631
2150 Payroll Deductions and Withholdings Payable	95,429	-	-
2160 Accrued Wages Payable	8,840,516	-	-
2170 Due to Other Funds	-	-	-
2180 Due to Other Governments	9,149,461	788,552	-
2190 Due to Student Groups	-	-	-
2200 Accrued Expenditures	78,399	-	-
2300 Deferred Revenues	3,510,196	518,366	-
2400 Payable from Restricted Assets	363,916	-	-
2000 Total Liabilities	<u>25,064,197</u>	<u>1,306,918</u>	<u>3,958,631</u>
Fund Balances:			
Reserved For:			
3410 Investments in Inventory	403,838	-	-
3420 Retirement of Long Term Debt	10,151,736	4,883,637	-
3430 Prepaid Items	673,741	-	-
3440 Outstanding Encumbrances	4,683,777	-	3,034,983
3470 Capital Acquisition Program	1,550,150	-	-
Unreserved Designated For:			
3590 Other Purposes	14,167,000	-	-
Unreserved and Undesignated:			
3600 Reported in the General Fund	50,986,943	-	-
3610 Reported in Special Revenue Funds	-	-	-
3620 Reported in Capital Projects Funds	-	-	788,877
3630 Reported in Permanent Funds	-	-	-
3000 Total Fund Balances	<u>82,617,185</u>	<u>4,883,637</u>	<u>3,823,860</u>
4000 Total Liabilities and Fund Balances	<u>\$ 107,681,381</u>	<u>\$ 6,190,555</u>	<u>\$ 7,782,491</u>

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

Other Funds	Total Governmental Funds
\$ 1,278,623	\$ 98,406,228
-	15,000,000
-	7,376,724
-	(2,996,317)
4,931,367	5,964,661
803	425,052
-	2,597,106
1,171	15,359
-	403,838
-	673,741
50,000	50,000
<u>\$ 6,261,965</u>	<u>\$ 127,916,392</u>
\$ 1,719,482	\$ 8,704,393
-	95,429
570,019	9,410,535
3,207,260	3,207,260
45,051	9,983,064
13,641	13,641
-	78,399
59,432	4,087,994
-	363,916
<u>5,614,884</u>	<u>35,944,630</u>
-	403,838
-	15,035,373
-	673,741
-	7,718,760
-	1,550,150
-	14,167,000
-	50,986,943
596,278	596,278
-	788,877
50,803	50,803
<u>647,080</u>	<u>91,971,762</u>
<u>\$ 6,261,965</u>	<u>\$ 127,916,392</u>



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UNITED INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
AUGUST 31, 2009

Total Fund Balances - Governmental Funds	\$	91,971,762
1 Capital outlays used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$466,606,936 and the accumulated depreciation was \$148,046,871. In addition, long-term liabilities, including bonds payable, Public Property Finance Contractual Obligations (PPFCO's), leases and Loan Star proceeds totaled \$308,523,511 and other long-term liabilities of \$1,243,904 are not due and payable in the current period, and, therefore, are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase (decrease) net assets.		8,792,650
2 Current year capital outlays of \$30,590,030 (\$25,259,116 from facilities acquisition and construction, with the remaining \$5,330,914 coming from the various other functions) and long-term debt principal payments of \$16,934,100, amortization of premiums in the amount of \$364,406, and reductions of \$5,895,541 of other liabilities are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The retirement of capital assets of \$1,259,416, and the issuance of PPFCO's in the amount of \$7,350,000, the addition of a new capital lease of \$630,825, the accretion on Capital Appreciation Bonds of \$2,081,085, and the accumulation of other benefits of \$4,741,684 in the financial statements should be shown as decreases in capital assets and increases in long-term debt in the government-wide financial statements. The net effect of including the 2009 capital outlays and debt principal payments is to increase (decrease) net assets.		37,721,067
3 The 2009 depreciation expense of \$15,448,124 net of adjustments/disposals of \$508,832 increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net assets.		(14,939,291)
4 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) net assets.		3,857,328
19 Net Assets of Governmental Activities	<u>\$</u>	<u>127,403,515</u>

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 98,767,883	\$ 14,481,746	\$ 242,151
5800 State Program Revenues	204,105,468	9,611,917	-
5900 Federal Program Revenues	2,994,303	-	-
5020 Total Revenues	<u>305,867,654</u>	<u>24,093,663</u>	<u>242,151</u>
EXPENDITURES:			
Current:			
0011 Instruction	165,295,504	-	-
0012 Instructional Resources and Media Services	4,837,970	-	-
0013 Curriculum and Instructional Staff Development	434,793	-	-
0021 Instructional Leadership	4,593,870	-	-
0023 School Leadership	18,765,586	-	-
0031 Guidance, Counseling and Evaluation Services	11,145,574	-	-
0032 Social Work Services	1,854,169	-	-
0033 Health Services	3,529,362	-	-
0034 Student (Pupil) Transportation	14,799,211	-	-
0035 Food Services	-	-	-
0036 Extracurricular Activities	8,536,022	-	-
0041 General Administration	10,125,876	-	-
0051 Facilities Maintenance and Operations	35,122,539	-	-
0052 Security and Monitoring Services	6,598,609	-	-
0053 Data Processing Services	3,669,208	-	-
0061 Community Services	189,760	-	-
Debt Service:			
0071 Debt Service - Principal on Long Term Debt	2,187,672	14,965,000	-
0072 Debt Service - Interest on Long Term Debt	632,792	11,298,444	-
0073 Debt Service - Bond Issuance Cost and Fees	54,386	(663)	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	6,391,187	-	18,867,930
Intergovernmental:			
0095 Payments to Juvenile Justice Alternative Ed. Prg.	340,000	-	-
0099 Webb County Appraisal District	1,367,196	-	-
6030 Total Expenditures	<u>300,471,284</u>	<u>26,262,781</u>	<u>18,867,930</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,396,369</u>	<u>(2,169,118)</u>	<u>(18,625,779)</u>
OTHER FINANCING SOURCES (USES):			
7913 Proceeds from Capital Leases	630,824	-	-
7914 Loan Proceeds	7,350,000	-	-
7915 Transfers In	100,000	-	2,500,000
8911 Transfers Out (Use)	<u>(2,500,000)</u>	<u>-</u>	<u>-</u>
7080 Total Other Financing Sources (Uses)	<u>5,580,824</u>	<u>-</u>	<u>2,500,000</u>
1200 Net Change in Fund Balances	10,977,194	(2,169,118)	(16,125,779)
0100 Fund Balance - September 1 (Beginning)	<u>71,639,991</u>	<u>7,052,755</u>	<u>19,949,639</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 82,617,185</u>	<u>\$ 4,883,637</u>	<u>\$ 3,823,860</u>

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

Other Funds	Total Governmental Funds
\$ 1,121,429	\$ 114,613,209
7,937,109	221,654,494
<u>26,161,083</u>	<u>29,155,386</u>
35,219,620	365,423,088
24,014,808	189,310,311
1,251,408	6,089,377
1,273,924	1,708,717
3,126,531	7,720,402
1,003,072	19,768,658
1,725,036	12,870,610
3,338	1,857,507
5,910	3,535,272
90,247	14,889,458
825,563	825,563
10,914	8,546,936
131,825	10,257,701
46,860	35,169,399
6,759	6,605,368
474,959	4,144,167
503,577	693,336
1,159,859	18,312,531
116,332	12,047,568
-	53,723
-	25,259,117
-	340,000
-	1,367,196
<u>35,770,923</u>	<u>381,372,919</u>
<u>(551,303)</u>	<u>(15,949,831)</u>
-	630,824
-	7,350,000
-	2,600,000
<u>(100,000)</u>	<u>(2,600,000)</u>
<u>(100,000)</u>	<u>7,980,824</u>
<u>(651,303)</u>	<u>(7,969,007)</u>
<u>1,298,383</u>	<u>99,940,768</u>
<u>\$ 647,081</u>	<u>\$ 91,971,762</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED AUGUST 31, 2009

Total Net Change in Fund Balances - Governmental Funds	\$	(7,969,007)
Current year capital outlays of \$30,590,030 (\$25,259,116 from facilities acquisition and construction, with the remaining \$5,330,914 coming from the various other functions) and long-term debt principal payments of \$16,934,100, amortization of premiums in the amount of \$364,406, and reductions of \$5,895,541 of other liabilities are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The retirement of capital assets of \$1,259,416, and the issuance of PPFCO's in the amount of \$7,350,000, the addition of a new capital lease of \$630,825, the accretion on Capital Appreciation Bonds of \$2,081,085, and the accumulation of other benefits of \$4,741,684 in the financial statements should be shown as decreases in capital assets and increases in long-term debt in the government-wide financial statements. The net effect of removing the 2009 capital outlays and debt principal payments is to increase (decrease) net assets.		37,721,067
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net assets.		(14,939,291)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) net assets.		1,695,118
Change in Net Assets of Governmental Activities	\$	16,507,887

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2009

EXHIBIT C-5

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 100,611,876	\$ 100,611,876	\$ 98,767,883	\$ (1,843,993)
5800	State Program Revenues	189,184,895	203,606,336	204,105,468	499,132
5900	Federal Program Revenues	765,000	830,000	2,994,303	2,164,303
5020	Total Revenues	290,561,771	305,048,212	305,867,654	819,442
EXPENDITURES:					
Current:					
0011	Instruction	160,545,629	170,995,263	165,295,504	5,699,760
0012	Instructional Resources and Media Services	4,640,096	6,237,954	4,837,970	1,399,984
0013	Curriculum and Instructional Staff Development	912,362	673,863	434,793	239,070
0021	Instructional Leadership	4,086,902	4,888,193	4,593,870	294,323
0023	School Leadership	18,289,717	19,367,946	18,765,586	602,360
0031	Guidance, Counseling and Evaluation Services	11,136,005	11,817,363	11,145,574	671,789
0032	Social Work Services	1,847,337	1,941,883	1,854,169	87,714
0033	Health Services	3,436,462	3,626,125	3,529,362	96,763
0034	Student (Pupil) Transportation	12,794,262	16,596,883	14,799,211	1,797,672
0036	Extracurricular Activities	8,215,971	9,369,628	8,536,022	833,606
0041	General Administration	10,117,334	10,669,181	10,125,876	543,305
0051	Facilities Maintenance and Operations	35,907,865	37,151,507	35,122,539	2,028,968
0052	Security and Monitoring Services	6,428,590	6,960,661	6,598,609	362,052
0053	Data Processing Services	3,534,063	5,061,690	3,669,208	1,392,482
0061	Community Services	239,352	260,623	189,760	70,863
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	2,249,190	2,769,190	2,187,672	581,518
0072	Debt Service - Interest on Long Term Debt	549,440	632,792	632,792	-
0073	Debt Service - Bond Issuance Cost and Fees	8,000	125,800	54,386	71,414
Capital Outlay:					
0081	Facilities Acquisition and Construction	1,010,000	15,829,746	6,391,187	9,438,559
Intergovernmental:					
0095	Payments to Juvenile Justice Alternative Ed. Prg.	400,000	400,000	340,000	60,000
0099	Webb County Appraisal District	1,500,000	1,500,000	1,367,196	132,804
6030	Total Expenditures	287,848,577	326,876,291	300,471,284	26,405,007
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	2,713,194	(21,828,079)	5,396,369	27,224,448
OTHER FINANCING SOURCES (USES):					
7913	Proceeds from Capital Leases	-	-	630,824	630,824
7914	Loan Proceeds	-	7,350,000	7,350,000	-
7915	Transfers In	100,000	100,000	100,000	-
8911	Transfers Out (Use)	(2,500,000)	(2,500,000)	(2,500,000)	-
7080	Total Other Financing Sources (Uses)	(2,400,000)	4,950,000	5,580,824	630,824
1200	Net Change in Fund Balances	313,194	(16,878,079)	10,977,194	27,855,273
0100	Fund Balance - September 1 (Beginning)	71,639,991	71,639,991	71,639,991	-
3000	Fund Balance - August 31 (Ending)	\$ 71,953,185	\$ 54,761,912	\$ 82,617,185	\$ 27,855,273

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AUGUST 31, 2009

	Business-Type Activities
	70
	Food Services
<hr/>	
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 712,824
Due from Other Governments	505,874
Due from Other Funds	610,154
Other Receivables	30,405
Inventories	350,154
Total Current Assets	<u>2,209,411</u>
Noncurrent Assets:	
Capital Assets:	
Buildings and Improvements	69,800
Depreciation on Buildings	(27,791)
Furniture and Equipment	4,130,741
Depreciation on Furniture and Equipment	<u>(3,552,788)</u>
Total Noncurrent Assets	<u>619,962</u>
Total Assets	<u>2,829,374</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	269,196
Short Term Bonds, Loans, and Other Payable	41,258
Accrued Wages Payable	212,842
Unearned Revenues	<u>88,107</u>
Total Current Liabilities	<u>611,403</u>
Noncurrent Liabilities:	
Loans Payable - Due in More than One Year	63,600
Other Long-Term Debt - Due in More than One Year	<u>15,889</u>
Total Noncurrent Liabilities	<u>79,489</u>
Total Liabilities	<u>690,892</u>
NET ASSETS	
Investments in Capital Assets, Net of Debt	540,643
Unrestricted Net Assets	<u>1,597,839</u>
Total Net Assets	<u>\$ 2,138,482</u>

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	Business-Type Activities
	70
	Food Services
<hr/>	
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 2,297,216
State Program Revenues	617,953
Total Operating Revenues	<u>2,915,169</u>
OPERATING EXPENSES:	
Payroll Costs	10,170,512
Professional and Contracted Services	411,027
Supplies and Materials	9,319,767
Other Operating Costs	49,829
Depreciation	162,685
Total Operating Expenses	<u>20,113,821</u>
Operating Income (Loss)	<u>(17,198,652)</u>
NONOPERATING REVENUES (EXPENSES):	
National School Breakfast Program	5,039,999
National School Lunch Program	10,731,245
Donated Commodities (USDA)	1,256,876
Earnings from Temporary Deposits & Investments	17,457
Total Nonoperating Revenues (Expenses)	<u>17,045,577</u>
Change in Net Assets	(153,075)
Total Net Assets - September 1 (Beginning)	<u>2,291,557</u>
Total Net Assets - August 31 (Ending)	<u><u>\$ 2,138,482</u></u>

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	Business-Type Activities
	70
	Food Services
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 1,721,539
Cash Received from State	636,669
Cash Payments to Employees for Services	(10,125,000)
Cash Payments for Contracted Services	(411,027)
Cash Payments for Suppliers	(8,064,560)
Cash Payments for Other Operating Expenses	(49,829)
Net Cash Used for Operating Activities	<u>(16,292,209)</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>	
Increase(decrease) in Short-term Loans	(36,970)
Federal Grants	15,771,244
Net Cash Provided by Non-Capital Financing Activities	<u>15,734,274</u>
<u>Cash Flows from Capital & Related Financing Activities:</u>	
Acquisition of Capital Assets	(265,489)
Long Term Loans & Other Debt	79,489
Net Cash Provided by (Used for) Capital & Related Financing Activities	<u>(186,000)</u>
<u>Cash Flows from Investing Activities:</u>	
Interest and Dividends on Investments	<u>17,457</u>
Net Decrease in Cash and Cash Equivalents	(726,478)
Cash and Cash Equivalents at Beginning of the Year:	<u>1,439,302</u>
Cash and Cash Equivalents at the End of the Year:	<u><u>\$ 712,824</u></u>

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2009

	Business-Type Activities
	70
	Food Services
<hr/>	
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Used for Operating Activities:</u>	
Operating Income (Loss):	\$ (17,198,652)
Adjustments to Reconcile Operating Income to Net Cash Used for Operating Activities:	
Depreciation	162,685
Commodity Expense - USDA Various Food Products	1,256,876
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Receivables	(29,212)
Decrease (increase) in Inventories	14,568
Decrease (increase) in Due From Other	(546,465)
Increase (decrease) in Accounts Payable	(16,237)
Increase (decrease) in Accrued Wages Payables	45,512
Increase (decrease) in Unearned Revenue	18,716
Net Cash Used for Operating Activities	<u>\$ (16,292,209)</u>
<u>Noncash Investing, Capital and Financing Activities:</u>	
Commodity Expense - USDA Various Food Products	1,256,876

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

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
AUGUST 31, 2009

	Agency Fund
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 1,356,493
Total Assets	<u>\$ 1,356,493</u>
LIABILITIES	
Due to Student Groups	\$ 1,356,493
Total Liabilities	<u>\$ 1,356,493</u>

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



Notes to Financial Statements



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UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

A. 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 United Independent School District (District), Laredo, Texas. Because members of the Board of Trustees are elected by the public; have the authority to make decisions, appoint administrators and managers, and significantly influence operations; and have the primary accountability for fiscal matters; the District is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board (GASB), Statement No. 14, "The Financial Reporting Entity" and Statement Number 39, "Determining Whether Certain Organizations Are Component Units." There are no component units included within the reporting entity.

Since the District receives funding from local, state, and federal government sources, it must comply with the requirements of the entities providing those funds.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

United Independent School District (District) is a public educational agency operating under applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees (Board) elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and other authoritative sources identified in Statement on Auditing Standards No. 69 of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's Financial Accountability System Resource Guide (Resource Guide) and the requirements of contracts and grants of agencies from which it receives funds.

1. Government-Wide and Fund Financial Statements

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the United Independent School District nonfiduciary activities. The Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities include programs supported primarily by taxes, State foundation funds, grants and other intergovernmental revenues. Business-type activities include operations that rely to a significant extent on fees and charges for support.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's Governmental Activities. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the District, school lunch charges, etc. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not program revenue, it is general revenue which is used to support all of the District's functions. Taxes are always general revenues. Direct expenses are those that are specifically associated with a program or function. Indirect costs expenditures are determined by applying approved indirect cost rates to actual applicable expenditures of federally funded grant programs.

Interfund activities between governmental funds appear as due to/due froms on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Assets and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance. All interfund transactions between governmental funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to/due froms on the government-wide Statement of Activities.

The fund financial statements provide reports on the financial condition and results of operations for three funds categories-governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District Operations, they are not included in the government-wide statements. The District considers some governmental and enterprise funds major and reports their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing food service operations. All other revenues and expenses are non-operating.

2. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund. The fiduciary funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when amounts are due and payable. The District considers all revenues available if they are collectible within 60 days after year end. The compensated absences are reported in governmental funds only if they matured.

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.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The Proprietary Fund Types are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. The Fiduciary Funds utilize the accrual basis of accounting.

This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Assets. The fund equity is segregated into invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting

a. Major Governmental Funds

- General Fund

The General Fund is the District's operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. This is a budgeted fund and any fund balances are considered as resources available for current operations. General Fund primary revenue sources include local property taxes and state funding. The District's General Fund includes state distributed federal funds and direct federal funds not required to be included in the Special Revenue Funds.

- Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources for, and the payment of bonded debt principal and interest. The primary revenue source is local property taxes levied specifically for debt service. The fund balance of this fund represents amounts that will be used for retirement of bonds and payment of interest in the future. The Debt Service Fund is a budgeted fund.

- Capital Projects Funds

The Capital Projects Fund was established to account for the proceeds from the sales of bonds including earnings on investments of the fund. Proceeds are used for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities. Budgets for these funds are adopted on a project basis rather than on an annual basis.

b. Major Proprietary Funds

- Enterprise Fund

The Enterprise Fund is used to account for the District's Food Service operations. The Food Services fund is a budgeted fund and is the District's only Enterprise Fund. An Enterprise Fund is used since the District's intent is for the Food Service Fund to be self-sustaining. Students are charged for meals to supplement the National School Lunch Program reimbursements.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Non-Major Governmental Funds

- Special Revenue Funds

The Special Revenue Funds are used to account for the majority of federal and state funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Funds are used primarily for a math and reading improvement program for the educationally deprived, a special education program involving learning disabilities and the physically handicapped, a vocational education program, and a drug education program. Budgets for these funds are adopted on a project basis rather than on an annual basis.

- Permanent Funds

The Permanent Funds should be used “to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government’s programs, that is, for the benefit of the government or its citizenry.” The District received a charitable donation in the amount of \$50,000 that is to be invested in a certificate of deposit with the interest proceeds used each year to fund two annual scholarships starting in 2010.

d. Fiduciary Funds

- Agency Fund

The Agency Fund is used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. These include Clearing Funds and Student Activity Funds. Student Activity Funds are monies collected principally through fund-raising efforts of the individual schools or school-sponsored groups (student activity funds).

4. Other Accounting Policies

For purposes of the statement of cash flows for proprietary and similar fund-types, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Budgets

The following procedures are utilized in establishing the budgetary data reflected in the basic financial statements:

- Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
- A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
- Prior to September 1, the budget is legally enacted through passage of a resolution by the Board.

The legal level of budgetary control is at the major functional expenditure level by fund type. Each budget is controlled by the budget coordinator. Annual budgets are adopted for the General Fund, Food Service Fund, and Debt Service on a basis consistent with generally accepted accounting principles. Budgets for the Special Revenue funds as well as the Capital Projects funds are adopted on a project basis rather than on an annual basis. Appropriations in these funds remain open as carryover to succeeding years until related expenditures are made or until they are modified or cancelled. All budget appropriations lapse at year end.

Once a budget is approved, it may be amended by management without Board approval within a major functional expenditure category and can be amended at the function and fund level only by approval of a majority of the members of the Board. Amendments at the function and fund level are presented to the Board at its regular meetings. Such amendments are made before the fact, are reflected in the official minutes of the Board and are made before the fiscal year end as required by law. The budget amounts included in this report reflect various amendments made by management or adopted by the Board throughout the year through the final amended budget. The original budget was adopted by the Board on August 21, 2008. The General and Debt Service Fund Budgets are prepared on the modified accrual basis and the Food Service Fund budget is prepared on the accrual basis of accounting.

6. Inventories

Inventories of supplies on the balance sheet are stated at cost, determined on the weighted average method. Inventories are maintained on a perpetual inventory system and adjusted at year end to physical count balances, if necessary. Inventory in governmental funds consist of expendable goods held for consumption. Reported inventories in these funds are equally offset by a fund balance reserve. Expenditures are recorded when individual inventory items are requisitioned or consumed.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory reported in the Enterprise fund consists of food service fund supplies. Inventory is stated at cost, determined on the weighted average method, except for food commodities which are recorded at market values supplied by the Texas Department of Human Services. Commodities inventory at year end is offset by unearned revenue, since revenue is recognized as inventory is used.

7. Fund Balance

Reserved fund balance indicates that portion of fund balance which has been legally segregated for specific purposes. The unreserved fund balance represents that portion of the fund balance that is available for budgeting in future periods.

8. Accumulated Unpaid Compensatory Leave

Accumulated compensatory leave and sick leave that is expected to be liquidated with expendable available resources is reported as an expenditure and a liability in the Governmental Funds only if they have matured.

9. Accounting System

In accordance with Texas Education Code, Chapter 44, subchapter A, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Data Control codes refer to the account code structure prescribed by the TEA in the Resource Guide.

10. Foundation School Program Revenue

The State of Texas provides funding to Districts through the Foundation School Program based on instructional days, average daily attendance by fiscal year, and other factors. The academic year for the District typically begins several weeks before the beginning of the fiscal year (September 1). During this period expenditures are incurred that relate directly to revenues received in the subsequent fiscal year. In the current year, the District accrued Foundation School revenues to match August days of instruction expenditures.

11. Eliminations

Eliminating entries have not been made in the basic financial statements for transactions between or within fund types.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the District's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reported period. Actual results could differ from those estimates.

13. Cash and Cash Equivalents

For the statement of cash flows, cash and cash equivalents consists of cash in banks, investment pool deposits, and securities with maturities of less than three months from the date of purchase.

14. Depreciation

Capital assets, which include land, buildings, furniture and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The capital assets of the District are depreciated using the straight line method over the following estimated useful lives:

Capital Assets	Years
Buildings	30
Computer Equipment	5-7
Land Improvements	11-60
Office Equipment	7-10
Outdoor Equipment/Portables	9-15
Vehicles	5-10

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

C. DEPOSITS AND INVESTMENTS

Legal and Contractual Provisions Governing Deposits and Investments

The Public Funds Investment Act (the "PFIA"), Government code Chapter 2256 contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must be written, primarily emphasize safety of principal and liquidity, and address investment diversification, yield, maturity and the quality and capability of investment management. That policy must include: (1) a list of authorized investments, (2) the maximum allowable stated maturity of any individual investment, (3) for pooled fund groups, the maximum dollar-weighted average sated final maturity, (4) methods to monitor market price of investments, (5) a requirement that all transactions, with limited exceptions, settle on a delivery versus payment basis. Investment policies may provide bid solicitation preferences for certificates of deposit. As an integral part of its investment policy, the District shall also adopt a separate investment strategy for each of the funds or fund groups under its control.

Statutes authorize the District to invest in (1) obligations of the U.S. Treasury or its agencies, and instrumentalities, and the State of Texas or its agencies and instrumentalities; (2) insured or collateralized certificates of deposit, (3) certain municipal securities, (4) certain commercial paper securities, (5) repurchase agreements, (6) certain bankers acceptances, (7) money market mutual funds and certain mutual bond funds, (8) investment pools, (9) and collateralized guaranteed investment contracts.

The PFIA also requires the District to have independent auditors perform test procedures related to investment practices as provided by the PFIA. The District is in substantial compliance with the requirements of the PFIA and with local policies.

Policies Governing Deposits and Investments

In compliance with the PFIA, the District has adopted an investment policy. That policy addresses the following risks:

Disclosures Related to Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The PFIA, the District's investment policy, and Government Code Chapter 2257 (the "Public Funds Collateral Act") contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

C. DEPOSITS AND INVESTMENTS (Continued)

The District's policy requires:

1. Insurance or collateralization of all bank deposits
2. Third party safekeeping of all collateral securities
3. Monthly monitoring of collateral security market values
4. Minimum collateral security market values of 110% of non insured deposits
5. District authorization prior to any collateral security release or substitution and
6. Delivery versus payment for settlement of all investment security transactions

Custodial Credit Risk – Deposits: The District's bank account and certificate of deposit funds are required to be deposited and invested under the terms of a depository contract. The depository bank places for safekeeping 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.

Custodial Credit Risk – Investments: All District investment security transactions are settled using the delivery versus payment method between the counterparty and the District's safekeeping agent. The District's safekeeping agent holds all investment securities until maturity or liquidation by the District.

Bank Deposits

At August 31, 2009, the District's bank deposits (cash and interest-bearing accounts) were \$80,144,843. The carrying amount of the District's deposits and investments is as follows:

Cash in Bank or On Hand-Cash Equivalents	\$ 79,745,659
Investment Pools	<u>19,373,393</u>
Sub-Total	99,119,052
Certificate of Deposit	<u>15,050,000</u>
Total Cash and Cash Equivalents	<u>\$ 114,169,052</u>

A Certificate of Deposit for \$50,000 is recorded in the Statement of Net Assets as Restricted Assets.

The District's cash deposits at August 31, 2009 and at all times during the year ended August 31, 2009 were entirely covered by FDIC insurance or by pledged collateral held by the District's agent in the District's name.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

C. DEPOSITS AND INVESTMENTS (Continued)

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Depository: BBVA Compass Bank
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$218,350,366.
- c. The largest combined balances of cash, savings, and time deposit accounts amount to \$157,802,015 and occurred on March 11, 2009.
- d. Total amount of FDIC coverage at the time of the largest combined balance was \$750,000.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk through its investment policy and incorporated investment strategies by maintaining sufficient balances in highly liquid investments (e.g. investment pools), purchasing investments timed to or shorter than specific cash flow requirements and limiting the stated final maturity of all investments.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the specific investments and their maturity:

Investment Type	Fair Value	Weighted Average Maturity (Days)
Certificate of Deposit	15,050,000	100
Lone Star Investment Pool (non 2a-7 like pool)	10,477,046	1
MBIA - CLASS Investment Pool (2a-7 like pool)	25,416	1
Texas DAILY (2a-7 like pool)	8,535,213	1
TexSTAR (2a-7 like pool)	335,718	1
Total Fair Value	\$ 34,423,393	
Portfolio Weighted Average Maturity		1

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

C. DEPOSITS AND INVESTMENTS (Continued)

Disclosure Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the District's investment policy and the PFIA and the actual rating as of year end for each investment.

Description	Minimum Legal Rating	Amount	Rating	%
Certificate of Deposits	N/A	15,050,000	N/A	43.72%
Lone Star Investment Pool (non 2a-7 like pool)	AAA	10,477,046	AAAf/S1t	30.44%
MBIA - CLASS Investment Pool (2a-7 like pool)	AAAm	25,416	AAA/V1+	0.07%
Texas DAILY (2a-7 like pool)	AAAm	8,535,213	AAAm	24.79%
TexSTAR	AAAm	335,718	AAAm	0.98%
		\$ 34,423,393		100.00%

Concentration Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the PFIA. There are investments that represent 5% or more of total District investments.

The investment pools utilized by the District restrict concentration risk by adopting investment policies requiring diversification as to maturity and issuer. The investment policy requires diversification of investment security maturities based on the cash flow requirements of the District.

Foreign Currency Risk

The District has no exposure to foreign currency risk.

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Inter-local Cooperation Act, Chapter 79 of the Texas Government Code and are subject to the provisions of the PFIA. In addition to other provisions of the PFIA designed to promote liquidity and safety of principal, the PFIA 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) if functioning as a money market mutual fund, maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

C. DEPOSITS AND INVESTMENTS (Continued)

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 the fair value is 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. PROPERTY TAXES

Property taxes are levied by October 1, on the basis of assessed value as of January 1, 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.

The District's assessed valuation of taxable property totaled \$11,877,828,905 as of January 1, 2008 and represented 100% of appraised value. The total taxable value on such properties after lawful exemptions was \$9,395,444,977. The tax rate for the 2008 roll was 1.19486 for \$100 assessed valuation; it was designated as \$1.040000 for the general fund and \$0.15486 for the debt service fund. As taxes are collected they are recognized as realized revenue. Remaining taxes receivables are recorded as unearned revenue. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of levy. Allowances for uncollectible tax receivables within the general and debt service funds are based on 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.

E. INTERFUND RECEIVABLES AND PAYABLES

The District has numerous transactions between funds which involve receipts and disbursements by one fund for amounts for another fund. Those transactions which require one fund to reimburse another are classified in the balance sheets of the various funds as "due to/from other funds," as appropriate. Transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the District, are accounted for as revenues, expenditures or expenses in the funds involved.

The Interfund balances between funds result mainly from federal and state grants that operate on a reimbursement basis. Interfund balances occur when one fund pays or receives resources for another fund. The Interfund between the General Fund and the Non Major Funds are specifically due to Accounts Payable invoices that were dated and merchandise/supplies received before August 31, 2009.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

E. INTERFUND RECEIVABLES AND PAYABLES (Continued)

The Interfund Balance between Enterprise Fund and Non Major Fund is due to the Summer Feeding Program accounts payable invoices that were dated and merchandise/supplies received before August 31, 2009.

Interfund balances at August 31, 2009, consisted of the following individual fund receivables and payables:

	Due From Other Funds	Due To Other Funds
General Fund		
Non Major Fund	\$ 2,597,106	\$ -
Total General Fund	2,597,106	-
Non Major Fund		
General Fund		3,207,260
Enterprise Fund	-	-
Total Non Major Fund	-	3,207,260
Enterprise Fund		
Non Major Fund	610,154	-
Total Enterprise Fund	610,154	-
	\$ 3,207,260	\$ 3,207,260

F. CAPITAL ASSET ACTIVITY

Governmental Activities	Beginning Balance	Additions	Adjustments/ Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 26,355,151	\$ 2,382,081	\$ -	\$ 28,737,232
Construction in Progress	43,145,651	23,026,443	65,034,429	1,137,665
Total capital assets, not being depreciated	69,500,802	25,408,524	65,034,429	29,874,897
Capital assets, being depreciated:				
Buildings	356,906,777	65,034,429	482,740	421,458,466
Furniture & Equipment	19,212,605	1,566,877	13,494	20,765,989
Vehicles	20,986,750	3,614,630	763,182	23,838,198
Total capital assets being depreciated	397,106,132	70,215,937	1,259,416	466,062,653
Less Accumulated Depreciation for:				
Buildings	125,537,901	11,615,638	-	137,153,539
Furniture & Equipment	12,024,723	2,022,657	8,996	14,038,384
Vehicles	10,484,247	1,809,827	499,836	11,794,238
Total Accumulated Depreciation	148,046,871	15,448,122	508,832	162,986,161
Total capital assets, being depreciated, net	249,059,261	54,767,814	750,584	303,076,492
Governmental Activities Capital Assets, Net	\$ 318,560,064	\$ 80,176,338	\$ 65,785,013	\$ 332,951,389

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

CAPITAL ASSET ACTIVITY (Continued)

<u>Business-Type Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Buildings	\$ 69,800	\$ -	\$ -	\$ 69,800
Furniture & Equipment	3,068,823	171,312	-	3,240,135
Vehicles	890,607	-	-	890,607
Total capital assets being depreciated	<u>4,029,229</u>	<u>171,312</u>	<u>-</u>	<u>4,200,541</u>
Less Accumulated Depreciation for:				
Buildings	20,035	7,756	-	27,791
Furniture & Equipment	2,737,097	89,452	-	2,826,549
Vehicles	660,761	65,479	-	726,240
Total Accumulated Depreciation	<u>3,417,893</u>	<u>162,686</u>	<u>-</u>	<u>3,580,580</u>
Total capital assets, being depreciated, net	<u>611,336</u>	<u>8,626</u>	<u>-</u>	<u>619,962</u>
Business-Type Activities Capital Assets, Net	<u>\$ 611,336</u>	<u>\$ 8,626</u>	<u>\$ -</u>	<u>\$ 619,962</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

	<u>Additions</u>	<u>Adjustments/ Retirements</u>	<u>Depreciation Expense</u>
Depreciation Expense was charged to governmental functions as follows:			
Instruction	\$ 9,459,469	\$ 311,577	\$ 9,147,892
Instruction Resources & Media Services	459,779	15,144	444,635
Instructional Leadership	28,452	937	27,515
School Leadership	380,390	12,529	367,861
Guidance, Counseling and Evaluation Svcs	4,914	162	4,752
Student (Pupil) Transportation	1,714,567	56,475	1,658,092
Food Services	509,791	16,792	492,999
Cocurricular/Extracurricular Activities	1,283,102	42,263	1,240,839
General Administration	672,250	22,143	650,107
Plant Maintenance and Operations	742,521	24,457	718,064
Security and Monitoring Services	154,317	5,083	149,234
Data Processing Services	38,572	1,270	37,302
Total Depreciation Expense for Governmental Functions	<u>\$ 15,448,124</u>	<u>\$ 508,832</u>	<u>\$ 14,939,292</u>
Depreciation Expense was charged to Business-Type Activities as follows:			
Business-Type Activities	\$ 162,686	\$ -	\$ 162,686
Total Depreciation Expense for Business-Type Activities	<u>\$ 162,686</u>	<u>\$ -</u>	<u>\$ 162,686</u>

Depreciation Expense is the total accumulated depreciation less any adjustments/retirements.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

G. LONG-TERM DEBT

1. Bonded Debt Payable

The bonds are supported by a pledge of the District's full faith and credit. The bond indentures require a levy and collection of taxes without limitation as to rate or amount on all property subject to taxation by the District sufficient in amount to pay the principal and interest on such bonds as they become due. The indentures also require that a debt service fund be created and administered by the District solely for the purpose of paying principal and interest when due.

General obligation bonds currently outstanding are as follows:

Date of Issue	Interest Rate Payable	Amount Original Issue	Outstanding 09/01/08	Increases	Decreases	Outstanding 08/31/09	Maturity Date
Governmental Activities							
School Building Unlimited Tax Bonds							
12/15/93	4.00-7.00%	\$ 26,000,000	\$ 1,830,000	\$ -	\$ -	\$ 1,830,000	2014
07/01/99	5.00-6.75%	25,850,000	6,175,000	-	910,000	5,265,000	2025
09/01/00	5.12-7.50%	37,500,000	9,200,000	-	1,110,000	8,090,000	2026
07/01/01	4.70-6.00%	19,880,000	17,480,000	-	560,000	16,920,000	2027
03/25/04	1.51-4.09%	50,064,951	39,965,000	-	5,325,000	34,640,000	2017
04/15/04	2.00-4.75%	74,999,926	70,260,000	-	1,605,000	68,655,000	2034
03/08/05	2.50-5.00%	45,394,989	45,417,680	82,319	2,490,000	43,010,000	2025
07/15/05	3.32-4.85%	66,869,580	67,038,961	754,535	2,095,000	65,698,496	2035
11/21/06	4.00%	7,934,996	8,518,599	33,306	60,000	8,491,905	2026
05/22/08	2.85%	4,295,000	4,280,000	-	810,000	3,470,000	2013
Premium Capital Appreciation Bonds							
05/15/98	5.175-5.30%	11,567,783	22,716,174	1,210,925	-	23,927,099	2023
Public Property Finance Contractual Obligations							
06/01/00	5.25-7.25%	3,500,000	860,000	-	420,000	440,000	2010
04/01/02	3.40-5.00%	2,560,000	895,000	-	325,000	570,000	2012
11/01/02	3.25-3.70%	2,770,000	1,215,000	-	285,000	930,000	2012
08/15/04	3.00-3.70%	3,861,000	2,484,600	-	379,100	2,105,500	2014
06/21/05	3.00-4.00%	4,705,000	3,995,000	-	515,000	3,480,000	2015
11/21/08	5.49%	7,350,000	-	7,350,000	45,000	7,305,000	2024
Total Governmental Activities			302,331,014	9,431,085	16,934,100	294,827,999	
Business-Type Activities							
Public Property Finance Contractual Obligations							
08/15/04	3.00-3.70%	159,000	95,400	-	15,900	79,500	2014
Total Business-Type Activities			95,400	-	15,900	79,500	
TOTAL BONDED DEBT PAYABLE			\$ 302,426,414	\$ 9,431,085	\$ 16,950,000	\$ 294,907,499	

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

G. LONG-TERM DEBT (Continued)

Annual debt service requirements to maturity for general obligation bonds are as follows for Governmental Activities and Business-Type Activities:

Governmental Activities

FISCAL YEAR ENDED AUGUST 31,	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2010	17,119,100	11,600,365	28,719,465
2011	17,389,100	11,045,923	28,435,023
2012	18,024,100	10,419,328	28,443,428
2013	18,259,100	9,678,106	27,937,206
2014	18,354,100	8,930,835	27,284,935
2015-2019	66,678,496	37,831,278	104,509,773
2020-2024	53,574,003	27,282,537	80,856,541
2025-2029	42,295,000	15,070,900	57,365,900
2030-2034	38,905,000	6,293,069	45,198,069
2035-2039	4,230,000	190,350	4,420,350
Total Governmental Activities	294,827,999	138,342,691	433,170,690

Business-Type Activities

FISCAL YEAR ENDED AUGUST 31,	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2010	15,900	-	15,900
2011	15,900	-	15,900
2012	15,900	-	15,900
2013	15,900	-	15,900
2014	15,900	-	15,900
Total Business-Type Activities	79,500	-	79,500
Total	294,907,499	138,342,691	433,250,190

Capital Appreciation Bonds

The total accretion of discount on capital appreciation bonds that is included in the balance at August 31, 2009 included \$2,081,085 less payments \$1,117,762 for a net increase of \$963,123 in accretion on CABs.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

G. LONG-TERM DEBT (Continued)

Public Property Financial Contribution Obligation

On December 23, 2008, the District issued \$7,350,000 of Public Property Financial Contribution Obligation (PPFCO), Series 2009, which included \$59,100 of issuance costs. PPFCO was used to purchase vehicles and equipment, transportation buses, library books and school furniture. The interest rate on the PPFCO is 5.49% and the final maturity is on August 15, 2024. Debt service payments are scheduled semiannually beginning February 15, 2009.

Defeased Bonds Outstanding

The District defeased outstanding general obligation bonds through the Refunding General Obligation Series by placing the proceeds of the new bonds in irrevocable trust to provide for the future debt service payment on the old bonds. Accordingly, the trust account assets and defeased bonds are not included in the District's financial statements. At August 31, 2009, \$28,089,744 of the bonds defeased is outstanding.

2. Long-term Debt

The following is a summary of changes in long-term debt:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due in More Than One Year
Governmental Activities:						
Bonds Payable:						
General Obligation Bonds	\$ 292,881,415	\$ 2,081,085	\$ 14,965,000	\$ 279,997,500	\$ 15,220,000	\$ 264,777,500
Premium on Issuance of Debt	3,474,610	-	364,405	3,110,205	364,406	2,745,799
Public Property Finance Contractual Obligations	9,449,600	7,350,000	1,969,100	14,830,500	1,899,100	12,931,400
Total Bonds Payable	305,805,625	9,431,085	17,298,505	297,938,205	17,483,506	280,454,699
Other Long Term Liabilities:						
Accrued Sick Leave	475,859	15,959	15,840	475,978	142,793	333,184
Compensatory Leave	64,276	4,254,642	4,229,246	89,672	89,672	-
Arbitrage Rebates	108,700	-	51,572	57,128	17,138	39,989
Workers Compensation Claims Payable	125,000	15,849	15,849	125,000	37,500	87,500
Vacation Benefits Payable	470,072	455,233	446,568	478,737	478,737	-
LoanStar Loans Payable	514,558	-	184,190	330,368	191,745	138,624
Leases Payable	2,203,327	630,824	952,277	1,881,874	1,468,962	412,912
Total Other Long Term Liabilities	3,961,791	5,372,508	5,895,541	3,438,757	2,426,547	1,012,210
Total Governmental Activities Long Term Liabilities	\$ 309,767,416	\$ 14,803,593	\$ 23,194,047	\$ 301,376,962	\$ 19,910,053	\$ 281,466,909
Business-Type Activities						
Bonds Payable						
Public Property Finance Contractual Obligations	95,400	-	15,900	79,500	15,900	63,600
Total Bonds Payable	95,400	-	15,900	79,500	15,900	63,600
Other Long Term Liabilities:						
Accrued Sick Leave	19,213	3,931	2,115	21,029	6,309	14,720
Compensatory Leave	1,755	104,509	104,595	1,669	501	1,169
Vacation Benefits Payable	56,037	15,747	53,235	18,548	18,548	-
Total Other Long Term Liabilities	77,005	124,186	159,945	41,246	25,358	15,889
Total Business-Type Activities Long Term Liabilities	\$ 172,405	\$ 124,186	\$ 175,845	\$ 120,746	\$ 41,258	\$ 79,489

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

G. LONG-TERM DEBT (Continued)

The General Operating Fund, Special Revenue Funds, and Enterprise Funds are used to liquidate the liability for compensated absences, accrued sick leave and workers compensation. Governmental Activities liquidates an estimated average of 70%, and Business Type Activities an estimated average of 70%.

Accrued Sick Leave

Beginning in January 1998, the District established a new sick leave policy. Employees will be reimbursed at the rate of \$30 per day for all unused state and local sick leave accumulated by an employee upon his election of a retirement option with the Texas Teacher Retirement system, if the retiree has worked with the District a minimum of five years. Employees are reimbursed for all unused sick leave to a maximum of 80 days.

Compensatory Leave

The District compensates overtime for non-exempt employees. Employees can accumulate up to 240 hours of compensatory time under the Fair Labor Standards Act (FLSA). The District's local policy does not allow employees to accumulate compensatory time beyond 60 hours per year.

Arbitrage Rebate

The Tax Reform Act of 1986 enacted section 148(f) of the Internal Revenue Code, relating to arbitrage rebate requirements, which generally provides that in order for interest on any issue of obligation to be excluded from gross income (i.e., tax-exempt) the issuer must rebate to the United States the sum of (1) the excess of the amount earned on all "nonpurpose investments" acquired with "gross proceeds" of the issue over the amount which would have been earned if such investments had been invested at a yield equal to the yield on the issue, and (2) the earnings on such excess earnings. As of August 31, 2009, the District had an arbitrage rebate of \$57,128 on the Public Property Finance Contractual Obligations issue that is due in the year 2010.

Vacation Benefits Payable

After a full year of service to the District, all full-time hourly/auxiliary employees in positions normally requiring 12 months (at least 240 days) of service shall earn ten vacation days each year.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

G. LONG-TERM DEBT (Continued)

Workers Compensation Claims Payable

As of September 1, 1995, the District ended its workers compensation self-insurance plan. The claims liability reported in the Governmental Fund of \$125,000 reported at August 31, 2009 represents the estimated liability outstanding for claims incurred on or before September 1, 1995. The liability is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can reasonably be estimated. After September 1, 1995, the District's workers compensation plan is handled by commercial insurance. The District retains no risk. For the past three years, there has been no settlement of claims that exceeds our insurance coverage.

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance.

LoanSTAR Revolving Loan

The District entered into agreements with the General Services Commission to participate in the LoanSTAR Revolving Loan Program of the Texas State Energy Plan. The agreement allows the District to borrow a maximum of \$1,000,000 at an interest rate of 4.04 percent per annum for the completion of an energy conservation retrofit measures project.

Annual requirements for the LoanSTAR Loan program are as follows:

For The Year Ended August 31,	Principal	Interest	Total Requirements
2010	\$ 191,745	\$ 6,852	\$ 198,597
2011	138,624	496	139,120
	<u>\$ 330,369</u>	<u>\$ 7,348</u>	<u>\$ 337,717</u>

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

H. CONTINGENCIES AND COMMITMENTS

Legal Proceedings

The District is a defendant in several lawsuits for claims filed against it. In the best judgment of the District's management in consultation with legal counsel, the accompanying financial statements will not be affected materially by the outcome of any of these proceedings and therefore no loss contingency has been recorded.

Construction Contracts

At August 31, 2009, the outstanding commitments under current construction contracts for facilities are approximately \$3,034,983.

Letters of Credit

The District is a party of financial instruments with off-balance-sheet risk to meet the financing needs of its construction projects. Those financial instruments include standby letters of credit. The instruments contain various elements of credit and interest rate risk in excess of the amount recognized in the financial statements.

The District's exposure to credit loss, if the other party to the financial instrument for standby letters of credit does not perform, is the contractual amount of those instruments.

Financial instruments whose

contract amounts represent credit risk:

Contract Amount

Stand by Letters of Credit	\$	967,402
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Standby letters of credit are conditional commitments issued by the District to guarantee the performance of a contractor to a third party. The credit risk involved in issuing letters of credit is similar to extending loans.

Capital Leases

The District has entered into lease agreements for financing the acquisition of computers and computer related equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments. In the current year the District entered into a agreement for the lease of computers and computer related equipment from HP Financial Services on July 9, 2009, this lease agreement is a three year lease.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

H. CONTINGENCIES AND COMMITMENTS (Continued)

The Future minimum lease obligations and the net present value of these minimum lease payments as of August 31, 2009 are as follows:

Year Ending August 31,	Total Requirements
2010	\$ 1,528,484
2011	217,912
2012	<u>217,912</u>
Total Minimum Rentals	1,964,308
Less: Amount representing Interest	82,434
Present Value Minimum Lease Payments	<u>\$ 1,881,874</u>

Rental expenditures in the amount of \$1,076,683 were incurred in the current year. The computers were expensed at inception of the lease since they were purchased for a per-unit cost less the District's capitalization threshold of \$5,000.

I. DEFERRED/UNEARNED REVENUES

As of August 31, 2009, deferred and unearned revenue was made up of the following in the Fund Financial Statements:

General Fund	
Property Taxes	\$ 3,425,733
Advanced Taxes	<u>84,463</u>
Total General Fund	<u>3,510,196</u>
Special Revenue Fund	
Grant Revenues	<u>59,432</u>
Debt Service	
Property Taxes	<u>518,366</u>
Enterprise Fund	
USDA Commodities	<u>88,107</u>
Total	\$ <u>4,176,101</u>

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

J. DEFINED BENEFIT PENSION PLAN

Plan Description

The District contributes to the Teacher Retirement System of Texas (TRS), a public employee, cost-sharing multiple employer defined benefit pension plan. TRS administers retirement system 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, Chapter 803 and 805, respectively. 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 writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS internet website, www.trs.state.tx.us, under the TRS Publications heading.

Funding Policy

Since Fiscal Year 1998, State Law requires a state contribution rate of not less than 6.0% of gross earnings and .50% to a retirement health insurance plan. The District provides the contributions for salaries paid from federal and state grants and for salaries made above the statutory minimum. The employee's contribution rate is 6.4% of gross earnings and .65% to the retirement health insurance plan. Contribution requirements are not actuarially determined but are legally established each biennium pursuant to the following state funding policy: (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 less than 6.0% and not more than 10.0% of the aggregate annual compensation of all members of the system during that fiscal year; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS's 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, District, and employee contribution information for the last three (3) years were as follows:

Fiscal Year	On Behalf State Contribution	On Behalf TRS-Care	District Annual Required Contributions (ARC)	Percentage of ARC Contributed	Employee Contributions
2007	\$ 10,918,360	\$ 430,800	\$ 1,479,594	100%	\$ 12,470,542
2008	\$ 13,512,796	\$ 514,653	\$ 1,513,594	100%	\$ 13,850,964
2009	\$ 14,182,024	\$ 563,931	\$ 1,794,276	100%	\$ 14,733,525

The On behalf State Contributions were recognized as revenues and expenses by the District. The District contributes to the Texas Public School Retired Employee Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by TRS.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

K. HEALTH CARE COVERAGE

During the year ended, August 31, 2009 employees of the United Independent School District were covered by a health insurance plan (the plan). The District is not exposed to losses. The District paid premiums of \$290.42 per month per employee to the plan, and employees at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a 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 licensed insurer is renewable annually and terms of coverage and premium costs are included in the contractual provisions. Insurance settlements have not exceeded coverage in the last three years.

L. OTHER FINANCING SOURCES AND (USES)

Transfers of funds occur within the governmental funds of the District for accounting purposes.

The District's Other Financing Sources, (Uses) and Transfers Out comprised of the following:

	General Fund	Capital Projects	Other Funds
Capital Leases	\$ 630,824	\$ -	\$ -
Loan Proceeds	7,350,000	-	-
Transfer In from Other Funds	100,000	2,500,000	-
Transfer Out to Other Funds	(2,500,000)	-	(100,000)
	\$ 5,580,824	\$ 2,500,000	\$ (100,000)

A transfer from the General Fund of \$2.5 million into the Capital Project Fund was for the completion of the New United High School Campus.

A transfer from Special Revenue Fund 481 (Coca-Cola Fund) into the General Operating Fund is to cover a portion of Maintenance Tax Note payments that were issued by the District to purchase school buses. The Coca-Cola Fund committed \$100,000 a year for ten years through the year 2012.

On November 21, 2008, the District issued \$7,350,000 of Public Property Financial Contribution Obligation (PPFCO), Series 2009, which included \$59,100 of issuance costs. PPFCO was used to purchase vehicles and equipment, transportation buses, library books and school furniture. The interest rate on the PPFCO is 5.49% and the final maturity is on August 15, 2024. Debt service payments are scheduled semiannually beginning February 15, 2009.

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

M. GENERAL FUND FEDERAL SOURCE REVENUES

<u>Program Source</u>	<u>CFDA Number</u>	<u>Total Grant or Entitlement</u>
Indirect Costs:		
ESEA Title I, Part A - Basic	84.010A	\$ 193,698
ESEA Title I, Part C - Migrant	84.011A	6,004
ESEA Title IV, Safe and Drug-Free Schools	84.186A	2,746
ESEA Title II, Part D Enhancing Education Through Technology	84.318X	1,864
ESEA Title II, Part A Teacher & Principal Training	84.367A	27,576
IDEA Part B, Formula	84.027A	90,946
IDEA Part B, Preschool	84.027A	282
TX Reading First Initiative Grant	84.357A	14,065
Title III, LEP Immigrant	84.365A	37,027
Gear-Up Project - LBJHS	84.334A	2,279
Total Indirect Costs		<u>\$ 376,487</u>
Medicaid Reimbursements		\$ 1,273,450
Medicaid Administration Claim (MAC) Reimbursements	93.778	129,582
ROTC Reimbursements	12.113	<u>181,490</u>
Total		<u>\$ 1,961,009</u>

Indirect cost revenues was determined by applying approved indirect cost rates to actual applicable expenditures of federally funded grant programs. For Fiscal Year 2008/2009, the District operated with a 1.785% indirect cost rate.

N. MAINTENANCE OF EFFORT

United I.S.D. paid health care premiums as follows:

A) Total Annual Premiums for Health Care 2008-2009	\$ 18,268,485
B) Subtract any non-medical expenditures:	
Life Insurance	(117,610)
C) 2008-2009 Maintenance of Effort	<u>\$ 18,150,875</u>

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

O. DUE TO AND FROM OTHER GOVERNMENTS AND AGENCIES

Amounts Due To and From Other Governments and Agencies are as follows:

	Due To	Due From
General Fund		
Texas Department of Human Services	\$ -	\$ 1,033,294
Texas Education Agency	9,149,461	-
	9,149,461	1,033,294
Special Revenue Fund		
Texas Education Agency:		
ESEA Title IV, Part A, Safe/Drug Free Sch & Comm	-	6,799
ESEA Title I, Part A Improving Basic Program	-	960,929
ESEA Title I Part C, Migrant	-	21,277
ESEA Title I, Part B, Even Start Family Literacy Prog	-	15,000
IDEA B Formula	-	272,996
Summer School Feeding Program	-	114,706
Vocational Tech Prep Mini Grants	-	5,100
Carl D. Perkins Basic Grant - Career & Tech	-	91,226
ESEA Title II Part A, Teacher/Principal Training/Rec.	-	158,708
Texas Reading First Initiative Grant	-	122,015
ESEA Title II Part D, Enhancing Ed through Tech.	-	6,782
Title III, Part A, LEP	-	129,730
Stabilization Funds, ARRA Funds	-	1,603,450
Project Gear UP State Partnership	-	13,347
Title I, Part A, ARRA/Stimulus Funds	-	570,024
Equipment Assistance, ARRA Funds	-	262,122
Non Education Comm. Based Fund	-	20,683
Optional Extended Year Fund	-	23,470
Accel Reading & Math Instruction	-	491,039
State Technology Allotment	45,051	-
Texas Fitness Now Grant	-	10,008
Texas High School Allotment	-	31,957
	45,051	4,931,368
Debt Service Fund	788,552	-
Enterprise Fund		
Texas Education Agency:		
National School Breakfast/Lunch Program	-	505,874
Total Due To/From Other Governments and Agencies	\$ 9,983,064	\$ 6,470,536

UNITED INDEPENDENT SCHOOL DISTRICT
Laredo, Texas

For The Year Ended August 31, 2009

P. EDUCATIONAL SERVICE CONTRACT

The District has an educational service contract with the Regional Day School Program for the Deaf (RDSPD) which provides for the efficient delivery of legally required special education and related services to eligible students who are deaf or hard of hearing within the boundaries of ESC, Region One. The District has contracted with Laredo Independent School District (LISD) to provide services through the RDSPD. The following is a summary of payments made to LISD:

<u>Invoice No.</u>	<u>Amount</u>
1	\$ 105,733
2	103,819
3	105,991
Total Paid	<u>\$ 315,542</u>

Q. COMPLIANCE VIOLATION

The District is not aware of any compliance violations.

R. DESIGNATED FUND BALANCE

The Board of Trustees has designated \$14,167,000 for the following:

Self Insurance	\$ 125,000
Studio Art League	325,000
Security Cameras & GPS System	500,000
Scoreboard for Student Activity Ctr	600,000
Student Software	990,000
Warehouse	1,000,000
Transportation Compound	3,000,000
Land Purchases	7,627,000
	<u>\$ 14,167,000</u>



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Non Major Funds



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SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal financial assistance often is accounted for in a Special Revenue Fund. In most Special Revenue Funds, unused balances are recorded as deferred revenue and carried forward to the succeeding fiscal year, provided the amounts carried forward are returned to the grantor at the close of specified project periods. The District budgets for Special Revenue Funds and uses project accounting for them in order to maintain integrity for the various sources of funds. Included in the District's Special Revenue Funds are:

204 ESEA, Title IV, Part A, Safe and Drug Free Schools and Communities Act – to account on a project basis for funds granted as a result of the Improving Americas School Act of 1994. These funds are to be used to develop age-appropriate comprehensive violence and drug/alcohol education prevention programs.

211 ESEA, Title I, Part A, Improving Basic Programs – to account on a project basis for funds allocated for programs to local educational agencies which enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and the State performance standards developed for all children.

212 ESEA, Title I, Part C, Education of Migratory Children – to account on a project basis for funds allocated for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

213 ESEA, Title I, Part B, Even Start Family Literacy – to account on a project basis for funds granted for programs to help parents become full partners in their children's education, help children reach their full potential as learners, and provide literacy training for their parents by integrating adult education and early childhood education into a unified family-centered program.

224 IDEA Part B, Formula – to account on a project basis for funds granted to operate educational programs for handicapped children with disabilities. This fund classification includes building and improvement (sliver) subgrants.

225 IDEA Part B, Preschool – to account on a project basis for funds granted for preschool children with disabilities.

242 Summer Feeding Program, Department of Human Services (DHS) – to account on a project basis for funds received from the Department of Human Services that are awarded for meals provided to the community based on the average number of daily participants. This fund should be used regardless of whether a school district's National School Breakfast and Lunch Program is accounted for in the General Fund, a Special Revenue Fund or an Enterprise Fund.

243 Vocational Education Tech-Prep Program – to account on a project basis for funds granted to provide a combined secondary and post-secondary program of technical skills in the areas of engineering, science, mechanical, industrial or practical arts or trades, agriculture, health and business.

244 Vocational Ed. Basic Grant (Carl D. Perkins Basic Grant for CATE) – to account on a project basis for funds to provide career and technology education to develop new and/or improve career and technology education programs for paid and unpaid unemployment, with full participation of individuals who are members of special populations, at a limited number of campuses (sites) or with respect to a limited number of program areas.

255 ESEA, Title II, Part A, Teacher/Principal Training and Recruiting– to account on a project basis for funds to be used to provide assistance to LEA’s to (1) increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and (2) hold local education agencies and schools accountable for improving student academic achievement.

255 Governor’s Educators Excellence Award Grant Program- to account on a project basis for funds granted to provide an incentive program designed to maximize the use of funds for incentive payment for former, current and new staff of the awarded school campus. The distribution of funds provides an equitable amount for teachers who provide instruction to students during the school year.

261 Texas Reading First Grant – to account on a project basis for funds granted to establish reading programs for students in kindergarten through grade 3 that are based on scientifically based reading research, to ensure that every student can read at grade level or above not later than the end of grade 3.

262 ESEA, Title II, Part D, Enhancing Education through Technology- to account on a project basis for funds granted for the implementation and support of a comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement.

262 Technology Applications Readiness Grant for Empowering Texas (TARGET 2) – to account on a project basis for funds granted to provide assistance to high need districts and to partnerships for the implementation and support of a comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement.

263 Title III, Part A, LEP- to account on a project basis for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

266 ARRA Title XIV, State Fiscal Stabilization Fund - This fund classification is to be used to account, on a project basis, for funds granted to improve basic programs authorized by the ESEA of 1965, as amended by the NCLB Act of 2001, IDEA, the Adult and Family Literacy

Act, the Carl D. Perkins Act of 2006, or for the modernization, renovation, and repairs that are consistent with a recognized green building rating system. This grant is funded by the American Recovery and Reinvestment Act (ARRA) of 2009, Title XIV.

269 ESEA, Title V, Part A, Innovative Programs- to account on a project basis for funds granted to implement or expand innovative assistance programs to improve student, teacher, and school performance through a variety of local reform and improvement activities.

274 GEAR UP - This fund classification is used to account, on a project basis, for funds granted to school districts received through ESC. These funds enable students to take advantage of the state's new scholarship program for economically disadvantaged students.

282 GEAR-Up State Partnership Grant – to account on a project basis for funds granted to school districts through the Education Service Center. These funds enable students to take advantage of the state's new scholarship program for economically disadvantaged students.

285 ARRA Title I, Part A, Improving Basic Programs - This fund classification is to be used to account, on a project basis, for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children. This grant is funded by the American Recovery and Reinvestment Act (ARRA) of 2009, Title VIII. *This fund code is also used for ARRA Title I, Part D, Subpart 2.

286 Summer School Limited English Proficient (LEP) Program - to account on a project basis for funds granted for summer school programs for LEP students only if a bilingual program is part of the standard curriculum. Monies may be used to fund both required summer school and voluntary summer school for LEP students.

288 ARRA, Equipment Assistance Grant - to account on a project basis for funds granted to improve the infrastructure in the NSLP. The award may be used to purchase new equipment, renovate existing equipment or replace existing equipment.

289 Other Federal Special Revenue Funds (Child Care Development Fund)- to account for funds granted by the Texas Workforce Commission to provide for the expansion and improvement of the Pregnancy, Education, and Parenting Program.

385 Visually Impaired – to account on a project basis for state supplemental visually impaired funds received from the ESC or district fiscal agent of a shared services arrangement.

392 Non-Educational Community Based Program – to account on a project basis for the provision of non- educational community-based support services to students with disabilities who would remain or have to be placed in residential facilities for educational reasons without the provision of these services. The support services may include transportation, respite for the parents, case management, social work, in-home family support and other items.

394 Pregnancy, Education, and Parenting Program – to account on a project basis for funds granted to provide pregnant and parenting students the services needed to keep them in school until completion.

397 Advanced Placement Incentive Program – to account on a project basis for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program.

401 Optional Extended Year Program– to account on a project basis for funds received for extended-year programs funded under Section 29.082 of the Texas Education Code.

404 Student Success Initiative (Accelerated Reading/Math Instruction Program) – to account on a project basis for funds granted to provide intensive, targeted early intervention programs for students at every campus who have been identified as at-risk with reading/math difficulties, including dyslexia.

411 State Technology Allotment - to account on a project basis for funds awarded to school districts to purchase technological software or equipment that contributes to student learning, or to pay for training for educational personnel involved in the use of these materials.

414 Texas ASAP – to account on a project basis for funds granted to implement intensive after-school and summer programs designed to increase 10th and 11th grade student achievement as measured by the science portions of the TAKS tests. The intent is to provide direct and indirect (support) services to student sin Grades 9 through 12 using intervention programs that target students attending high schools with low student performance on the science TAKS tests.

415 Pre-kindergarten and Kindergarten Grant Program – to account on a project basis for funds granted to implement or expand kindergarten or pre-kindergarten programs not required under section 29.153 of the Texas Education Code.

422 Matching Fund for Library Purchases (Read to Succeed Program) – to account on a project basis for funds awarded to districts to help generate money for public school libraries and strengthen the campus reading program. Funds are generated through the sale of specialty license plates.

424 Texas Fitness Now Grant – to account on a project basis for funds awarded for the support of in-school physical education and fitness programs for students in grades 6,7, and / or 8. The grant places specific emphasis on the importance of physical education and fitness as the foundation for a life of healthy choices for the purpose of reducing childhood obesity and Type II diabetes.

425 Automated External Deliberator – to account on a project basis for funds awarded to districts to purchase deliberators to have available at each campus in case of an emergency.

426 Texas Educators Excellence Award Program – to account on a project basis for funds awarded to districts to award teachers who meet, at a minimum, two required program criteria, or more, as identified in their campus incentive plan.

428 Texas High School Allotment- to account on a project basis for funds awarded to the school district to target grades 9-12. Funds may be used to implement college readiness programs to encourage student toward advanced academic opportunities, and to prepare underachieving students for college.

461 Campus Activity Fund – to account for transactions related to a principal’s activity fund and the monies generated are not subject to recall by the school district’s board of trustees into the General Fund.

481 Coca-Cola Fund – to account for funds awarded to the school district for an exclusivity contract with the Coca Cola Bottling Company.

483 Community Partnership Activity – to account for funds donated from the community to assist students of the school district in continuing their education.

484 Migrant Program Grant – to account for on a project basis to design, operate and support programs that help migrant students overcome the challenges of a high level of mobility, cultural and language barriers, social isolation, and other difficulties associated with a migratory lifestyle, in order to succeed in school and to successfully transition to postsecondary education or employment.

488 Lamar Bruni Vergara Trust - to account for funds awarded to the school district to provide critical elements in education such as information access, communication and collaboration, multi-sensory experiences, and up-to-date equipment.

497 UTSA Health Science Grant – to account for funds awarded to the school district from The University of Texas Health Science Center at San Antonio for the implementation and teaching of Community Emergency Response Team (CERT) course.

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2009

Data Control Codes	204 ESEA Title IV Safe & Drug Free Schools	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	213 ESEA Title I Part B Even Start	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Due from Other Governments	6,799	960,929	21,277	15,000
1250	Accrued Interest	-	-	-	-
1290	Other Receivables	-	-	-	-
1800	Restricted Assets	-	-	-	-
1000	Total Assets	<u>\$ 6,799</u>	<u>\$ 960,929</u>	<u>\$ 21,277</u>	<u>\$ 15,000</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued Wages Payable	-	291,015	-	-
2170	Due to Other Funds	6,799	669,914	21,277	15,000
2180	Due to Other Governments	-	-	-	-
2190	Due to Student Groups	-	-	-	-
2300	Deferred Revenues	-	-	-	-
2000	Total Liabilities	<u>6,799</u>	<u>960,929</u>	<u>21,277</u>	<u>15,000</u>
Fund Balances:					
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	-	-	-
3630	Reported in Permanent Funds	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 6,799</u>	<u>\$ 960,929</u>	<u>\$ 21,277</u>	<u>\$ 15,000</u>

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	242 Summer Feeding Program	243 Vocational Ed Technical Preparation	244 Vocational Ed Basic Grant	255 ESEA II,A Training and Recruiting	261 Reading First	262 Title II, D Education Technology
\$ -	\$ -	\$ 494,279	\$ -	\$ -	\$ -	\$ -	\$ -
272,996	-	114,706	5,100	91,226	158,708	122,015	6,782
-	-	-	-	-	-	-	-
-	-	1,171	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 272,996</u>	<u>\$ -</u>	<u>\$ 610,155</u>	<u>\$ 5,100</u>	<u>\$ 91,226</u>	<u>\$ 158,708</u>	<u>\$ 122,015</u>	<u>\$ 6,782</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46,670	-	-	-	-	71,931	29,818	-
226,326	-	610,155	5,100	91,226	86,778	92,197	6,782
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>272,996</u>	<u>-</u>	<u>610,155</u>	<u>5,100</u>	<u>91,226</u>	<u>158,708</u>	<u>122,015</u>	<u>6,782</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 272,996</u>	<u>\$ -</u>	<u>\$ 610,155</u>	<u>\$ 5,100</u>	<u>\$ 91,226</u>	<u>\$ 158,708</u>	<u>\$ 122,015</u>	<u>\$ 6,782</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2009

Data Control Codes	263 Title III, A English Lang. Acquisition	266 Title XIV ARRA State Stabilization	274 GEAR-Up Bridges to the Future	285 ESEA I,A Improving Basic Program
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240 Due from Other Governments	129,730	1,603,450	13,347	570,024
1250 Accrued Interest	-	-	-	-
1290 Other Receivables	-	-	-	-
1800 Restricted Assets	-	-	-	-
1000 Total Assets	<u>\$ 129,730</u>	<u>\$ 1,603,450</u>	<u>\$ 13,347</u>	<u>\$ 570,024</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
2110 Accounts Payable	\$ -	\$ 1,149,458	\$ -	\$ 570,024
2160 Accrued Wages Payable	28,685	-	-	-
2170 Due to Other Funds	101,045	453,992	13,347	-
2180 Due to Other Governments	-	-	-	-
2190 Due to Student Groups	-	-	-	-
2300 Deferred Revenues	-	-	-	-
2000 Total Liabilities	<u>129,730</u>	<u>1,603,450</u>	<u>13,347</u>	<u>570,024</u>
Fund Balances:				
Unreserved and Undesignated:				
3610 Reported in Special Revenue Funds	-	-	-	-
3630 Reported in Permanent Funds	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 129,730</u>	<u>\$ 1,603,450</u>	<u>\$ 13,347</u>	<u>\$ 570,024</u>

286 Title I SIP Academy Grant ARRA	288 Equipment Assistance Grant	289 Other Federal Special Revenue Funds	385 Visually Impaired	392 Non-Ed. Community Based Support	394 Pregnancy, Education and Parenting	397 Advanced Placement Incentives	401 Optional Extended Year Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,392	\$ 49,040	\$ -
-	262,122	-	-	20,683	-	-	23,470
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 262,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,683</u>	<u>\$ 10,392</u>	<u>\$ 49,040</u>	<u>\$ 23,470</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	262,122	-	-	20,683	-	-	23,470
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	10,392	49,040	-
<u>-</u>	<u>262,122</u>	<u>-</u>	<u>-</u>	<u>20,683</u>	<u>10,392</u>	<u>49,040</u>	<u>23,470</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 262,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,683</u>	<u>\$ 10,392</u>	<u>\$ 49,040</u>	<u>\$ 23,470</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2009

Data Control Codes	404 Student Success Initiative	411 Technology Allotment	414 Texas Reading Initiative	415 Kindergarten and Pre-K Grants	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ 249,017	\$ -	\$ 24,070
1240	Due from Other Governments	491,039	-	-	-
1250	Accrued Interest	-	-	-	-
1290	Other Receivables	-	-	-	-
1800	Restricted Assets	-	-	-	-
1000	Total Assets	<u>\$ 491,039</u>	<u>\$ 249,017</u>	<u>\$ -</u>	<u>\$ 24,070</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	491,039	-	-	-
2180	Due to Other Governments	-	45,051	-	-
2190	Due to Student Groups	-	-	-	-
2300	Deferred Revenues	-	-	-	-
2000	Total Liabilities	<u>491,039</u>	<u>45,051</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	203,966	-	24,070
3630	Reported in Permanent Funds	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>203,966</u>	<u>-</u>	<u>24,070</u>
4000	Total Liabilities and Fund Balances	<u>\$ 491,039</u>	<u>\$ 249,017</u>	<u>\$ -</u>	<u>\$ 24,070</u>

422 Matching Fund for Library Purchases	424 Texas Fitness Now Grant	425 Automated External Difibrillator	426 Tx Educators Excellence Award Program	428 High School Allotment	461 Campus Activity Funds	481 Coca-Cola Fund	483 Community Partnerships Activity
\$ -	\$ -	\$ -	\$ -	\$ 69,943	\$ 171,489	\$ 181,098	\$ 13,641
-	10,008	-	-	31,957	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 10,008</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,900</u>	<u>\$ 171,489</u>	<u>\$ 181,098</u>	<u>\$ 13,641</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	101,900	-	-	-
-	10,008	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	13,641
-	-	-	-	-	-	-	-
-	10,008	-	-	101,900	-	-	13,641
-	-	-	-	-	171,489	181,098	-
-	-	-	-	-	-	-	-
-	-	-	-	-	171,489	181,098	-
<u>\$ -</u>	<u>\$ 10,008</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,900</u>	<u>\$ 171,489</u>	<u>\$ 181,098</u>	<u>\$ 13,641</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2009

Data Control Codes	484 Migrant Program Grant	488 Lamar-Bruni Vergara Grant	497 UTSA Health Science Grant	Total Nonmajor Special Revenue Funds	
ASSETS					
1110	Cash and Cash Equivalents	\$ 2,950	\$ 9,703	\$ 3,002	\$ 1,278,623
1240	Due from Other Governments	-	-	-	4,931,367
1250	Accrued Interest	-	-	-	-
1290	Other Receivables	-	-	-	1,171
1800	Restricted Assets	-	-	-	-
1000	Total Assets	<u>\$ 2,950</u>	<u>\$ 9,703</u>	<u>\$ 3,002</u>	<u>\$ 6,211,162</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ 1,719,482
2160	Accrued Wages Payable	-	-	-	570,019
2170	Due to Other Funds	-	-	-	3,207,260
2180	Due to Other Governments	-	-	-	45,051
2190	Due to Student Groups	-	-	-	13,641
2300	Deferred Revenues	-	-	-	59,432
2000	Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,614,884</u>
Fund Balances:					
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	2,950	9,703	3,002	596,278
3630	Reported in Permanent Funds	-	-	-	-
3000	Total Fund Balances	<u>2,950</u>	<u>9,703</u>	<u>3,002</u>	<u>596,278</u>
4000	Total Liabilities and Fund Balances	<u>\$ 2,950</u>	<u>\$ 9,703</u>	<u>\$ 3,002</u>	<u>\$ 6,211,162</u>

472 Permanent Fund	Total Nonmajor Governmental Funds
\$ -	\$ 1,278,623
-	4,931,367
803	803
-	1,171
50,000	50,000
<u>\$ 50,803</u>	<u>\$ 6,261,965</u>
\$ -	\$ 1,719,482
-	570,019
-	3,207,260
-	45,051
-	13,641
-	59,432
<u>-</u>	<u>5,614,884</u>
-	596,278
50,803	50,803
<u>50,803</u>	<u>647,080</u>
<u>\$ 50,803</u>	<u>\$ 6,261,965</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	204 ESEA Title IV Safe & Drug Free Schools	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	213 ESEA Title I Part B Even Start	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	153,522	11,129,186	342,551	150,000
5020	Total Revenues	<u>153,522</u>	<u>11,129,186</u>	<u>342,551</u>	<u>150,000</u>
EXPENDITURES:					
Current:					
0011	Instruction	64,361	7,592,926	146,361	50,484
0012	Instructional Resources and Media Services	-	80,097	-	-
0013	Curriculum and Instructional Staff Development	1,899	853,383	235	-
0021	Instructional Leadership	-	2,106,412	78,531	39,988
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	81,592	133,447	33,405	748
0032	Social Work Services	-	2,301	-	-
0033	Health Services	-	155	132	-
0034	Student (Pupil) Transportation	-	-	-	30,786
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	4,793	385	1,669	311
0052	Security and Monitoring Services	-	2,731	-	-
0053	Data Processing Services	-	67,697	94	-
0061	Community Services	877	289,652	82,124	27,681
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	-	-	-	-
0072	Debt Service - Interest on Long Term Debt	-	-	-	-
6030	Total Expenditures	<u>153,522</u>	<u>11,129,186</u>	<u>342,551</u>	<u>150,000</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):					
8911	Transfers Out (Use)	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	242 Summer Feeding Program	243 Vocational Ed Technical Preparation	244 Vocational Ed Basic Grant	255 ESEA II,A Training and Recruiting	261 Reading First	262 Title II, D Education Technology
\$ -	\$ -	\$ 7,530	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
5,592,900	67,805	563,892	27,727	559,918	1,829,642	857,817	104,439
<u>5,592,900</u>	<u>67,805</u>	<u>571,422</u>	<u>27,727</u>	<u>559,918</u>	<u>1,829,642</u>	<u>857,817</u>	<u>104,439</u>
3,716,436	47,381	-	27,727	537,949	1,595,860	672,269	-
-	-	-	-	-	2,753	-	-
22,817	20,425	-	-	16,296	67,174	107,753	104,439
367,299	-	-	-	5,674	-	77,795	-
193,424	-	-	-	-	10,670	-	-
1,268,682	-	-	-	-	5,119	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,503	-	-
-	-	-	-	-	-	-	-
-	-	549,666	-	-	8,122	-	-
10,914	-	-	-	-	-	-	-
-	-	-	-	-	131,825	-	-
-	-	21,755	-	-	6,162	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	453	-	-
13,328	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>5,592,900</u>	<u>67,805</u>	<u>571,422</u>	<u>27,727</u>	<u>559,918</u>	<u>1,829,642</u>	<u>857,817</u>	<u>104,439</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	263 Title III, A English Lang. Acquisition	266 Title XIV ARRA State Stabilization	274 GEAR-Up Bridges to the Future	285 ESEA I,A Improving Basic Program	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	2,078,214	1,603,450	180,180	570,024
5020	Total Revenues	<u>2,078,214</u>	<u>1,603,450</u>	<u>180,180</u>	<u>570,024</u>
EXPENDITURES:					
Current:					
0011	Instruction	1,579,357	91,332	31,333	570,024
0012	Instructional Resources and Media Services	3,506	1,105,403	-	-
0013	Curriculum and Instructional Staff Development	53,617	-	25,888	-
0021	Instructional Leadership	441,735	-	-	-
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	-	120,000	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data Processing Services	-	406,715	-	-
0061	Community Services	-	-	2,960	-
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	-	-	-	-
0072	Debt Service - Interest on Long Term Debt	-	-	-	-
6030	Total Expenditures	<u>2,078,214</u>	<u>1,603,450</u>	<u>180,180</u>	<u>570,024</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):					
8911	Transfers Out (Use)	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

286 Title I SIP Academy Grant ARRA	288 Equipment Assistance Grant	289 Other Federal Special Revenue Funds	385 Visually Impaired	392 Non-Ed. Community Based Support	394 Pregnancy, Education and Parenting	397 Advanced Placement Incentives	401 Optional Extended Year Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,138	\$ -	\$ -
-	-	-	5,184	20,683	106,347	78,612	234,703
81,627	262,122	6,067	-	-	-	-	-
<u>81,627</u>	<u>262,122</u>	<u>6,067</u>	<u>5,184</u>	<u>20,683</u>	<u>140,485</u>	<u>78,612</u>	<u>234,703</u>
81,627	-	-	5,184	20,683	564	78,612	225,815
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	8,888
-	-	-	-	-	-	-	-
-	-	-	-	-	25	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	262,122	-	-	-	59,461	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	6,067	-	-	80,435	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>81,627</u>	<u>262,122</u>	<u>6,067</u>	<u>5,184</u>	<u>20,683</u>	<u>140,485</u>	<u>78,612</u>	<u>234,703</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	404 Student Success Initiative	411 Technology Allotment	414 Texas Reading Initiative	415 Kindergarten and Pre-K Grants
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	1,440,327	1,101,995	-	1,751,144
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>1,440,327</u>	<u>1,101,995</u>	<u>-</u>	<u>1,751,144</u>
EXPENDITURES:				
Current:				
0011 Instruction	1,440,327	224,510	-	1,751,144
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
Debt Service:				
0071 Debt Service - Principal on Long Term Debt	-	594,241	-	-
0072 Debt Service - Interest on Long Term Debt	-	116,332	-	-
6030 Total Expenditures	<u>1,440,327</u>	<u>935,083</u>	<u>-</u>	<u>1,751,144</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>166,912</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
8911 Transfers Out (Use)	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	166,912	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>37,054</u>	<u>-</u>	<u>24,070</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ 203,966</u>	<u>\$ -</u>	<u>\$ 24,070</u>

422 Matching Fund for Library Purchases	424 Texas Fitness Now Grant	425 Automated External Difibrillator	426 Tx Educators Excellence Award Program	428 High School Allotment	461 Campus Activity Funds	481 Coca-Cola Fund	483 Community Partnerships Activity
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 798,083	\$ 150,000	\$ -
66	181,692	1,469	365,000	2,649,887	-	-	-
-	-	-	-	-	-	-	-
<u>66</u>	<u>181,692</u>	<u>1,469</u>	<u>365,000</u>	<u>2,649,887</u>	<u>798,083</u>	<u>150,000</u>	<u>-</u>
-	181,692	-	301,032	2,964,786	-	-	-
66	-	-	3,751	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	209	-	-	-	-
-	-	-	20,522	-	778,456	-	-
-	-	-	15,535	66,483	-	-	-
-	-	-	1,037	-	-	-	-
-	-	-	4,120	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	5,653	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,469	8,660	1,655	-	-	-
-	-	-	4,028	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	453	-	-	-	-
-	-	-	-	565,618	-	-	-
-	-	-	-	-	-	-	-
<u>66</u>	<u>181,692</u>	<u>1,469</u>	<u>365,000</u>	<u>3,598,542</u>	<u>778,456</u>	<u>-</u>	<u>-</u>
-	-	-	-	(948,655)	19,627	150,000	-
-	-	-	-	-	-	(100,000)	-
-	-	-	-	-	-	(100,000)	-
-	-	-	-	(948,655)	19,627	50,000	-
-	-	-	-	948,655	151,862	131,098	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 171,489</u>	<u>\$ 181,098</u>	<u>\$ -</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	484 Migrant Program Grant	488 Lamar-Bruni Vergara Grant	497 UTSA Health Science Grant	Total Nonmajor Special Revenue Funds	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 1,500	\$ 79,375	\$ -	\$ 1,070,626
5800	State Program Revenues	-	-	-	7,937,109
5900	Federal Program Revenues	-	-	-	26,161,083
5020	Total Revenues	<u>1,500</u>	<u>79,375</u>	<u>-</u>	<u>35,168,817</u>
EXPENDITURES:					
Current:					
0011	Instruction	-	15,033	-	24,014,808
0012	Instructional Resources and Media Services	-	55,832	-	1,251,408
0013	Curriculum and Instructional Staff Development	-	-	-	1,273,924
0021	Instructional Leadership	-	-	-	3,126,531
0023	School Leadership	-	-	-	1,003,072
0031	Guidance, Counseling and Evaluation Services	-	-	-	1,725,036
0032	Social Work Services	-	-	-	3,338
0033	Health Services	-	-	-	5,910
0034	Student (Pupil) Transportation	-	-	-	90,247
0035	Food Services	-	-	-	825,563
0036	Extracurricular Activities	-	-	-	10,914
0041	General Administration	-	-	-	131,825
0051	Facilities Maintenance and Operations	-	-	-	46,860
0052	Security and Monitoring Services	-	-	-	6,759
0053	Data Processing Services	-	-	-	474,959
0061	Community Services	-	-	-	503,577
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	-	-	-	1,159,859
0072	Debt Service - Interest on Long Term Debt	-	-	-	116,332
6030	Total Expenditures	<u>-</u>	<u>70,864</u>	<u>-</u>	<u>35,770,923</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,500</u>	<u>8,510</u>	<u>-</u>	<u>(602,106)</u>
OTHER FINANCING SOURCES (USES):					
8911	Transfers Out (Use)	-	-	-	(100,000)
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
1200	Net Change in Fund Balance	1,500	8,510	-	(702,106)
0100	Fund Balance - September 1 (Beginning)	<u>1,450</u>	<u>1,192</u>	<u>3,002</u>	<u>1,298,383</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 2,950</u>	<u>\$ 9,703</u>	<u>\$ 3,002</u>	<u>\$ 596,278</u>

472 Permanent Fund	Total Nonmajor Governmental Funds
\$ 50,803	\$ 1,121,429
-	7,937,109
-	26,161,083
<u>50,803</u>	<u>35,219,620</u>
-	24,014,808
-	1,251,408
-	1,273,924
-	3,126,531
-	1,003,072
-	1,725,036
-	3,338
-	5,910
-	90,247
-	825,563
-	10,914
-	131,825
-	46,860
-	6,759
-	474,959
-	503,577
-	1,159,859
-	116,332
<u>-</u>	<u>35,770,923</u>
<u>50,803</u>	<u>(551,303)</u>
-	(100,000)
<u>-</u>	<u>(100,000)</u>
50,803	(651,303)
<u>-</u>	<u>1,298,383</u>
<u>\$ 50,803</u>	<u>\$ 647,081</u>

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED AUGUST 31, 2009

	Balance August 31, 2008	Additions	Deductions	Net Increase (Decrease)	Balance August 31, 2009
Student Funds by Campus					
ASSETS					
Cash and Cash Equivalents:					
United High School	184,610	865,105	892,811	(27,706)	156,904
United South High School	124,081	622,870	653,003	(30,133)	93,948
J.B. Alexander High School	203,121	698,869	702,084	(3,215)	199,907
'S.T.E.P. ACADEMY	-	7,587	6,936	651	651
L.B.J. High School	72,399	333,161	355,980	(22,819)	49,580
United Middle School	28,977	232,829	201,313	31,516	60,493
United South Middle School	24,369	179,993	160,106	19,886	44,255
Salvador Garcia Middle School	9,802	64,271	63,004	1,267	11,069
Washington Middle School	17,796	129,281	122,597	6,684	24,481
Clark Middle School	56,765	161,526	171,716	(10,190)	46,575
Los Obispos Middle School	19,156	69,193	71,674	(2,481)	16,675
Trautmann Middle School	72,707	303,806	280,458	23,347	96,054
Gonzalez Middle School	12,328	70,672	63,819	6,853	19,180
Lamar Bruni Vergara Middle School	20,882	43,172	43,381	(209)	20,673
Nye Elementary School	17,828	147,866	141,684	6,182	24,011
Clark Elementary School	5,457	39,509	34,690	4,820	10,277
Salinas Elementary School	9,116	121,035	108,086	12,949	22,065
Newman Elementary School	21,902	32,464	34,953	(2,489)	19,412
Trautmann Elementary School	13,134	128,832	135,186	(6,354)	6,779
Perez Elementary School	4,086	41,313	40,615	698	4,784
Finley Elementary School	8,716	50,344	47,298	3,047	11,763
United DD Hachar Elementary School	19,828	22,741	30,704	(7,963)	11,865
Gutierrez Elementary School	27,571	164,146	175,970	(11,824)	15,747
Ruiz Elementary School	9,804	61,029	64,869	(3,840)	5,964
Matias De Llano Elementary School	31,293	139,946	151,181	(11,235)	20,058
Kazen Elementary School	11,741	57,216	66,826	(9,610)	2,131
Juarez-Lincoln Elementary School	10,440	32,512	29,445	3,067	13,507
Prada Elementary School	6,820	46,940	45,588	1,352	8,172
Borchers Elementary School	12,621	117,574	123,054	(5,480)	7,141
Kennedy-Zapata Elementary School	9,060	36,833	35,344	1,489	10,549
Col. Santos Benavides Elementary School	51,705	438,897	415,199	23,698	75,403
Roosevelt Elementary School	19,371	64,589	65,656	(1,067)	18,304
Sen. Judith Zaffirini Elementary School	24,760	101,698	98,484	3,214	27,974
Dr. Henry Cuellar Elementary School	17,072	68,235	69,400	(1,165)	15,907
Muller Elementary School	19,429	67,912	67,116	796	20,225
Arndt Elementary School	9,807	140,192	133,688	6,504	16,311
Bonnie Garcia Elementary	20,167	113,446	119,186	(5,739)	14,428
Centeno Elementary	23,245	90,090	80,504	9,586	32,832
Malakoff Elementary	23,206	116,065	113,681	2,384	25,590
Fasken Elementary	42,559	126,438	133,953	(7,515)	35,045
Killam Elementary	-	102,553	94,924	7,629	7,629
Special Student Activities	72,206	164,873	204,905	(40,031)	32,175
Total Cash and Cash Equivalents	1,389,938	6,617,625	6,651,071	(33,446)	1,356,493
TOTAL ASSETS	1,389,938	\$ 6,617,625	\$ 6,651,071	\$ (33,446)	1,356,493
LIABILITIES					
Due to Student Groups	1,389,938	\$ 6,617,625	\$ 6,651,071	\$ (33,446)	1,356,493
TOTAL LIABILITIES	1,389,938	\$ 6,617,625	\$ 6,651,071	\$ (33,446)	1,356,493

The accompanying notes are an integral part of this statement.

UNITED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 2,393,999	\$ 2,393,999	\$ 2,297,216	\$ (96,783)
5800 State Program Revenues	677,556	677,556	617,953	(59,603)
5020 Total Revenues	3,071,555	3,071,555	2,915,169	(156,386)
EXPENDITURES:				
0035 Food Services	20,281,947	20,829,503	19,907,393	922,110
0051 Plant Maintenance and Operations	254,883	254,883	206,428	48,455
Debt Service:				
0071 Debt Service - Principal on Long Term Debt	16,000	16,000	-	16,000
6030 Total Expenditures	20,552,830	21,100,386	20,113,821	986,565
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,481,275)	(18,028,831)	(17,198,652)	830,179
OTHER FINANCING SOURCES (USES):				
7952 National School Breakfast Program	4,987,941	4,987,941	5,039,999	52,058
7953 National School Lunch Program	10,675,435	10,675,435	10,731,245	55,810
7954 Donated Commodities (USDA)	1,300,000	1,300,000	1,256,876	(43,124)
7955 Investment Income	65,455	65,455	17,457	(47,998)
7080 Total Other Financing Sources (Uses)	17,028,831	17,028,831	17,045,577	16,746
1200 Change in Net Assets	(452,444)	(1,000,000)	(153,075)	846,925
0100 Total Net Assets - September 1 (Beginning)	2,291,557	2,291,557	2,291,557	-
3000 Total Net Assets - August 31 (Ending)	\$ 1,839,113	\$ 1,291,557	\$ 2,138,482	\$ 846,925

UNITED INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED AUGUST 31, 2009

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 14,214,969	\$ 14,214,969	\$ 14,481,746	\$ 266,777
5800 State Program Revenues	9,408,670	9,408,670	9,611,917	203,247
5020 Total Revenues	23,623,639	23,623,639	24,093,663	470,024
EXPENDITURES:				
Debt Service:				
0071 Debt Service - Principal on Long Term Debt	13,847,039	14,965,001	14,965,000	1
0072 Debt Service - Interest on Long Term Debt	12,416,410	11,298,448	11,298,444	4
0073 Debt Service - Bond Issuance Cost and Fees	10,000	10,000	(663)	10,663
6030 Total Expenditures	26,273,449	26,273,449	26,262,781	10,668
1200 Net Change in Fund Balances	(2,649,810)	(2,649,810)	(2,169,118)	480,692
0100 Fund Balance - September 1 (Beginning)	7,052,754	7,052,755	7,052,755	-
3000 Fund Balance - August 31 (Ending)	\$ 4,402,944	\$ 4,402,945	\$ 4,883,637	\$ 480,692



**Texas Education
Agency:
Required Schedules**



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UNITED INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FISCAL YEAR ENDED AUGUST 31, 2009

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2000 and prior years	\$ 1.265650	\$ 0.172830	\$ 3,273,839,073
2001	1.248731	0.178158	3,540,054,262
2002	1.271498	0.155373	4,062,000,000
2003	1.327570	0.149301	4,533,311,327
2004	1.329933	0.146938	4,892,183,079
2005	1.379945	0.146926	5,227,345,817
2006	1.379945	0.226926	6,264,666,797
2007	1.263597	0.210758	7,682,484,544
2008	1.030009	0.154860	8,090,923,934
2009 (School year under audit)	1.040000	0.154860	9,051,070,951
1000 TOTALS			

Column 10 + 20 - 31 - 32 + 40 equals column 50.

Column 3 - Assessed/Appraised Value for School Tax Purposes:
 Net appraised value after deductions of all exemptions and reductions allowed

Column 20 - Current Year's Levy:
 Calculated by multiplying tax rate(s) times applicable Assessed/Appraised Value(s)

Column 31 and 32 - Maintenance Collections and Debt Service Collections:
 Total collections net of Column 40, not including penalties and interest

Column 40 - Entire Year's Adjustments:
 Adjustments include corrections for errors in taxes assessed and taxes lost to freeze

Column 50 - Ending Balance 8/31/2009:
 Total agrees with Exhibit A-1, Statement of Net Assets Code 1220 - Property
 Taxes Receivable (Delinquent)

(10) Beginning Balance 9/1/2008	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2009
\$ 712,703	\$ -	\$ 14,892	\$ 5,657	\$ (234,910)	\$ 457,243
127,444	-	2,923	415	(32,880)	91,225
153,765	-	8,774	1,036	(36,182)	107,773
241,793	-	25,632	2,817	(45,626)	167,719
328,029	-	51,829	5,631	(51,933)	218,636
443,913	-	64,787	6,672	(82,670)	289,785
720,382	-	98,379	16,482	(58,800)	546,721
1,067,450	-	257,024	43,107	(102,332)	664,987
2,703,385	-	1,327,660	202,680	(7,795)	1,165,250
-	108,147,626	90,736,892	13,642,713	(100,637)	3,667,385
<u>\$ 6,498,864</u>	<u>\$ 108,147,626</u>	<u>\$ 92,588,791</u>	<u>\$ 13,927,211</u>	<u>\$ (753,764)</u>	<u>\$ 7,376,724</u>

UNITED INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES FOR COMPUTATIONS OF INDIRECT COST FOR 2010-2011
 GENERAL AND SPECIAL REVENUE FUNDS
 AUGUST 31, 2009

FUNCTION 41 AND RELATED FUNCTION 53 - GENERAL ADMINISTRATION, 99 - APPRAISAL DISTRICT COST

Account Number	Account Name	1	2	3	4	5	6	7
		(702) School Board	(703) Tax Collections	(701) Supt's Office	(750) Indirect Cost	(720) Direct Cost	(other) Miscellaneous	Total
611X-6146	PAYROLL COSTS	\$ -	\$ 362,266	\$ 440,175	\$ 5,595,557	\$ 1,100,157	\$ -	\$ 7,498,154
6149	Leave for Separating Employees in Fn 41 & 53	-	-	-	-	-	-	-
6149	Leave - Separating Employees not in 41 & 53	-	-	-	-	-	-	-
6211	Legal Services	702,354	-	-	-	-	-	702,354
6212	Audit Services	-	-	-	32,734	-	-	32,734
6213	Tax Appraisal/Collection - Appraisal in Fn 99	-	1,367,196	-	-	-	-	1,367,196
621X	Other Professional Services	-	-	-	8,653	-	-	8,653
6220	Tuition and Transfer Payments	-	-	-	-	-	-	-
6230	Education Service Centers	-	-	-	-	-	-	-
6240	Contr. Maint. and Repair	-	-	-	-	412,429	-	412,429
6250	Utilities	-	-	-	-	-	-	-
6260	Rentals	-	927	3,839	132,402	80,036	-	217,204
6290	Miscellaneous Contr.	-	10,954	-	181,639	370,286	-	562,878
6320	Textbooks and Reading	-	-	-	348	-	-	348
6330	Testing Materials	-	-	-	-	-	-	-
63XX	Other Supplies Materials	10,649	40,454	15,051	219,526	278,969	-	564,648
6410	Travel, Subsistence, Stipends	36,353	1,765	5,009	50,909	30,442	-	124,478
6420	Ins. and Bonding Costs	-	-	-	-	-	-	-
6430	Election Costs	33,656	-	-	-	-	-	33,656
6490	Miscellaneous Operating	14,210	769	30,001	540,499	1,883	-	587,362
6500	Debt Service	-	-	-	-	-	-	-
6600	Capital Outlay	-	-	-	-	-	280,432	280,432
6000	TOTAL	\$ 797,222	\$ 1,784,331	\$ 494,075	\$ 6,762,265	\$ 2,274,201	\$ 280,432	\$ 12,392,526

Total expenditures/expenses for General and Special Revenue Funds: and Enterprise (9) \$ 355,137,203

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 15,476,230
Total Debt & Lease(6500)	(11)	4,151,041
Plant Maintenance (Function 51, 6100-6400)	(12)	34,467,478
Food (Function 35, 6341 and 6499)	(13)	7,072,710
Stipends (6413)	(14)	10,914
Column 4 (above) - Total Indirect Cost		6,762,265

SubTotal:

67,940,637

Net Allowed Direct Cost

\$ 287,196,566

CUMULATIVE

Total Cost of Buildings before Depreciation (1520)	(15)	\$ 421,458,466
Historical Cost of Building over 50 years old	(16)	396,568
Amount of Federal Money in Building Cost (Net of #16)	(17)	-
Total Cost of Furniture & Equipment before Depreciation (1530 & 1540)	(18)	\$ 44,604,187
Historical Cost of Furniture & Equipment over 16 years old	(19)	2,866,900
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	2,420,991

(8) NOTE A: \$767,628 in Function 53 expenditures are included in this report on administrative costs.

\$1,367,196 in Function 99 expenditures for appraisal district costs are included in this report on administrative costs.

UNITED INDEPENDENT SCHOOL DISTRICT
 FUNDBALANCE AND CASH FLOW CALCULATION WORKSHEET
 GENERAL FUND AS OF AUGUST 31, 2009

UNAUDITED

1	Total General Fund Balance as of 8/31/09 (Exhibit C-1 object 3000 for the General Fund Only)		\$ 82,617,185
2	Total Reserved Fund Balance (from Exhibit C-1 - total of object 3400s for the General Fund Only)	\$ 17,463,242	
3	Total Designated Fund Balance (from Exhibit C-1 - total of object 3500s for the General Fund Only)	14,167,000	
4	Estimated amount needed to cover fall cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues.)	-	
5	Estimate of one month's average cash disbursements during the regular school session (9/1/09-5/31/10).	28,545,859	
6	Estimate of delayed payments from state sources (58xx) including August payment delays	-	
7	Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount.	-	
8	Estimate of delayed payments from federal sources (59xx)	3,731,888	
9	Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)	-	
10	Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9)		<u>63,907,989</u>
11	Excess (Deficit) Undesignated Unreserved General Fund Balance (Line 1 minus Line 10)		<u>\$ 18,709,196</u>

Explanation of need for and/or projected use of net positive Undesignated Unreserved General Fund Fund Balance:

United Independent School District Board Policy CA(local) states the general fund shall maintain a balance of one month's projected expenditures. The 09-10 Adopted Budget of \$300,936,003 calculates to one month's projected expenditures of \$25,078,000.



Capital Assets Used in the Operation of Governmental Funds



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UNITED INDEPENDENT SCHOOL DISTRICT
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS ⁽²⁾
 INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE
 AUGUST 31, 2009

	2009	2008
Governmental Funds Capital Assets:		
Land	\$ 28,737,232	\$ 26,355,151
Buildings ⁽³⁾	421,458,467	356,906,777
Machinery and equipment	44,604,187	40,199,357
Construction in progress	1,140,958	43,145,651
Total governmental funds capital assets	\$ 495,940,844	\$ 466,606,936
Investments in governmental funds capital assets by source:		
General Fund ⁽¹⁾	\$ 49,291,181	\$ 37,489,395
Special Revenue Fund	8,235,601	7,341,902
Capital Projects Fund	436,544,713	420,006,290
Donations	1,869,350	1,769,350
Total governmental funds capital assets	\$ 495,940,844	\$ 466,606,936

- Notes:** (1) Detailed data is not available for prior years.
 (2) This schedule presents only the capital assets related to governmental funds. Accordingly, the capital assets reported in the enterprise fund (food services) are excluded from the above amounts.
 (3) Buildings include improvements other than buildings.

UNITED INDEPENDENT SCHOOL DISTRICT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED AUGUST 31, 2009

FUNCTION AND ACTIVITY	IMPROVEMENTS					TOTAL
	LAND	BUILDINGS	OTHER THAN BUILDINGS	MACHINERY & EQUIPMENT (2)	CONSTR. IN PROGRESS	
INSTRUCTION-11						
United High School	\$ 981,669	\$ 7,855,000	\$ 36,709	\$ 415,399	\$ -	\$ 9,288,777
New United High School	3,790,111	40,021,388	-	227,197	-	44,038,696
United High 9th Grade	-	2,013,001	-	-	472,185	2,485,186
United South High School	150,000	18,406,130	19,515	366,337	-	18,941,983
John B Alexander High School	1,068,929	14,354,327	6,234	245,026	-	15,674,515
Alternative Education Program	-	-	-	6,091	-	6,091
Jba Magnet School	-	1,718,116	-	19,238	-	1,737,354
United South Magnet School	-	-	-	14,323	-	14,323
United Magnet School	-	-	-	66,510	-	66,510
Lbj High School	1,844,981	16,275,977	772,132	577,491	-	19,470,581
United Middle School	250,000	5,166,477	9,507	214,193	-	5,640,177
United South Middle School	463,584	4,248,992	-	85,913	-	4,798,490
Salvador Garcia Middle School	527,849	4,470,604	-	66,167	-	5,064,620
Washington Middle School	894,343	4,435,861	-	209,140	-	5,539,344
Clark Middle School	150,000	6,441,893	-	175,291	-	6,767,184
Los Obispos Middle School	574,490	4,345,118	-	60,057	-	4,979,665
Trautmann Middle School	1,000,000	4,907,093	-	115,259	-	6,022,352
Antonio Gonzalez Middle School	7,778	5,330,052	6,348	111,494	-	5,455,672
Lamar Bruni Vergara Middle School	1,033,581	9,497,415	-	309,943	-	10,840,939
Nye Elementary School	175,000	10,778,870	-	51,281	-	11,005,151
Clark Elementary School	150,000	1,879,208	-	23,866	-	2,053,073
Salinas Elementary School	150,000	2,430,409	-	85,498	-	2,665,906
Newman Elementary School	100,000	2,721,047	680	26,259	-	2,847,986
Trautmann Elementary School	400,000	4,167,822	3,336	150,735	-	4,721,893
Perez Elementary School	150,000	3,865,746	16,428	23,866	-	4,056,039
Finley Elementary School	220,000	3,302,692	-	202,438	-	3,725,130
D D Hachar Elementary School	220,000	3,676,920	43,724	16,555	-	3,957,199
Amparo Gutierrez Elementary School	550,000	2,773,149	39,617	20,341	-	3,383,107
Alicia Ruiz Elementary School	150,000	2,939,952	-	20,341	-	3,110,293
Matias De Llano Jr Elementary School	200,000	1,771,097	-	179,693	-	2,150,790
Kazen Elementary School	320,000	1,624,236	-	16,824	-	1,961,060
Juarez Lincoln Elementary School	52,862	2,269,827	6,300	17,757	-	2,346,745
Prada Elementary School	142,300	4,218,480	-	23,866	-	4,384,647
Borchers Elementary School	575,867	5,952,772	14,800	251,850	-	6,795,289
Kennedy-Zapata Elementary School	231,480	3,191,944	11,750	23,866	-	3,459,041
Col Santos Benavides School	250,000	10,066,858	-	59,617	-	10,376,475
Roosevelet Elementary School	150,000	5,076,541	15,750	6,619	-	5,248,910
Zaffirini Elementary School	372,202	4,949,943	-	311,622	-	5,633,767
Cuellar Elementary School	444,875	4,687,594	924	15,776	-	5,149,168
Muller Elementary School	404,419	4,669,876	1,274	31,552	-	5,107,121
Arndt Elementary School	447,950	4,965,171	-	32,576	-	5,445,696
R Centeno Elementary School	617,095	7,144,412	-	-	-	7,761,507
Bonnie Lopez Garcia Elementary School	506,822	7,113,304	-	220,755	-	7,840,881
Malakoff Elementary School	137,863	7,185,281	-	71,134	-	7,394,279
Fasken Elementary School Elementary	853,277	6,975,040	-	852,899	-	8,681,217
Hachar Property Elementary	192,458	-	-	-	-	192,458
Killam Property	56,704	7,269,956	38,430	34,917	-	7,400,008
Dillworth Property	-	4,000	-	-	-	4,000
Director Of Special Population	-	-	-	13,540	-	13,540
Career & Technology	-	-	-	7,985	-	7,985
Even Start Program	-	-	-	24,278	-	24,278
Asst Supt Instruction	-	-	-	101,398	-	101,398
Technology Department	-	-	-	248,971	-	248,971
Music Department	-	-	22,291	21,900	-	44,191
District Wide Administration	2,862,282	98,678	23,755	1,058,957	25,632	4,069,304
TOTAL	\$ 23,820,774	\$ 277,258,271	\$ 1,089,504	\$ 7,534,599	\$ 497,817	\$ 310,200,965

UNITED INDEPENDENT SCHOOL DISTRICT
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 FOR THE FISCAL YEAR ENDED AUGUST 31, 2009

FUNCTION AND ACTIVITY	IMPROVEMENTS					TOTAL
	LAND	BUILDINGS	OTHER THAN BUILDINGS	MACHINERY & EQUIPMENT (2)	CONSTR. IN PROGRESS	
<u>INSTRUCTIONAL RESOURCES & MEDIA-12</u>						
United High School	\$ -	\$ 882,275	\$ -	\$ 21,724	\$ -	\$ 903,999
United South High School	-	495,065	-	-	-	495,065
John B Alexander High School	-	541,878	-	-	-	541,878
LBJ High School	-	647,332	-	28,688	-	676,020
United Middle School	-	256,086	-	-	-	256,086
United South Middle School	-	189,529	-	-	-	189,529
Salvador Garcia Middle School	-	589,159	-	-	-	589,159
Washington Middle School	-	605,824	-	-	-	605,824
Clark Middle School	-	748,944	-	-	-	748,944
Los Obispos Middle School	-	592,553	-	-	-	592,553
Trautmann Middle School	-	574,890	-	-	-	574,890
Antonio Gonzalez Middle School	-	761,436	-	43,821	-	805,257
Nye Elementary School	-	296,217	-	-	-	296,217
Clark Elementary School	-	68,735	-	-	-	68,735
Salinas Elementary School	-	111,680	-	-	-	111,680
Newman Elementary School	-	159,041	-	-	-	159,041
Trautmann Elementary School	-	73,422	-	-	-	73,422
Perez Elementary School	-	255,543	-	-	-	255,543
Finley Elementary School	-	221,256	-	-	-	221,256
D D Hachar Elementary School	-	276,494	-	-	-	276,494
Amparo Gutierrez Elementary School	-	246,746	-	-	-	246,746
Alicia Ruiz Elementary School	-	258,487	-	-	-	258,487
Matias De Llano Jr Elementary School	-	268,101	-	-	-	268,101
Kazen Elementary School	-	228,467	-	-	-	228,467
Juarez-Lincoln Elementary School	-	274,145	-	-	-	274,145
Prada Elementary School	-	255,222	-	-	-	255,222
Charles Borchers Elementary School	-	602,812	-	44,160	-	646,972
Kennedy-Zapata Elementary School	-	332,050	-	-	-	332,050
Col Santos Benavides Elem School	-	175,651	-	-	-	175,651
Roosevelt Elementary School	-	309,166	-	-	-	309,166
Zaffirini Elementary School	-	373,811	-	-	-	373,811
Cuellar Elementary School	-	352,958	-	-	-	352,958
Muller Elementary School	-	352,826	-	-	-	352,826
Bonnie Garcia Elementary School	-	-	-	42,644	-	42,644
Malakoff Elementary School	-	-	-	12,153	-	12,153
Fasken Elementary School	-	-	-	8,293	-	8,293
Arndt Elementary School	-	374,977	-	-	-	374,977
TOTAL	\$ -	\$ 12,752,779	\$ -	\$ 201,483	\$ -	\$ 12,954,262
<u>INSTRUCTIONAL LEADERSHIP-21</u>						
Pep Program	\$ -	\$ -	\$ -	\$ 120,438	\$ -	\$ 120,438
School Support Orange Team	-	197,990	-	5,000	-	202,990
Instructional Accountability	-	-	-	64,486	-	64,486
Fine Arts Department	-	-	-	17,276	-	17,276
Asst Supt Instruction	-	-	-	39,504	-	39,504
State Compensatory Program	-	-	-	36,000	-	36,000
TOTAL	\$ -	\$ 197,990	\$ -	\$ 282,704	\$ -	\$ 480,694
<u>SCHOOL ADMINISTRATION-23</u>						
United High School	\$ -	\$ 542,938	\$ -	\$ -	\$ -	\$ 542,938
United South High School	-	660,087	-	-	-	660,087
John B Alexander High School	-	650,254	-	-	-	650,254
Alternative Education Program	-	-	-	9,962	-	9,962
JBA Magnet School	-	149,401	-	47,656	-	197,057
LBJ High School	-	863,110	-	-	-	863,110

UNITED INDEPENDENT SCHOOL DISTRICT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED AUGUST 31, 2009

FUNCTION AND ACTIVITY	IMPROVEMENTS					TOTAL
	LAND	BUILDINGS	OTHER THAN BUILDINGS	MACHINERY & EQUIPMENT (2)	CONSTR. IN PROGRESS	
United Middle School	\$ -	\$ 448,151	\$ -	\$ -	\$ -	\$ 448,151
United South Middle School	-	236,912	-	-	-	236,912
Salvador Garcia Middle School	-	412,411	-	-	-	412,411
Washington Middle School	-	424,077	-	-	-	424,077
Clark Middle School	-	299,577	-	-	-	299,577
Los Obispos Middle School	-	414,787	-	-	-	414,787
Trautmann Middle School	-	402,423	-	-	-	402,423
Antonio Gonzalez Middle School	-	380,718	-	-	-	380,718
Nye Elementary School	-	13,133	-	-	-	13,133
Clark Elementary School	-	154,653	-	-	-	154,653
Salinas Elementary School	-	47,863	-	-	-	47,863
Newman Elementary School	-	95,425	-	-	-	95,425
Trautmann Elementary School	-	97,896	-	-	-	97,896
Perez Elementary School	-	127,772	-	-	-	127,772
Finley Elementary School	-	147,504	-	-	-	147,504
D D Hachar Elementary School	-	230,412	-	-	-	230,412
A. Gutierrez Elementary School	-	317,245	-	-	-	317,245
Alicia Ruiz Elementary School	-	295,414	-	-	-	295,414
De Llano Jr Elementary School	-	268,101	-	-	-	268,101
Kazen Elementary School	-	228,467	-	-	-	228,467
Juarez-Lincoln Elemntary School	-	274,145	-	-	-	274,145
Prada Elementary School	-	218,762	-	-	-	218,762
Charles Borchers Elementary School	-	452,109	-	-	-	452,109
Kennedy-Zapata Elementary School	-	332,050	-	-	-	332,050
Col Santos Elementary School	-	245,911	-	-	-	245,911
Roosevelt Elementary School	-	309,166	-	-	-	309,166
Zaffirini Elementary School	-	436,113	-	-	-	436,113
Cuellar Elementary School	-	411,784	-	-	-	411,784
Muller Elementary School	-	411,631	-	-	-	411,631
Arndt Elementary School	-	437,474	-	-	-	437,474
TOTAL	\$ -	\$ 11,437,875	\$ -	\$ 57,618	\$ -	\$ 11,495,493
STUDENT TRANSPORTATION-34						
Transportation Dept	\$ -	\$ 2,227,812	\$ 156,948	\$ 19,285,877	\$ -	\$ 21,670,638
Energy/Environmental Management	-	-	-	26,885	-	26,885
PEP Program	-	-	-	59,461	-	59,461
TOTAL	\$ -	\$ 2,227,812	\$ 156,948	\$ 19,372,224	\$ -	\$ 21,756,984
FOOD SERVICES-35						
John B Alexander High School	\$ -	\$ -	\$ -	\$ 5,825	\$ -	\$ 5,825
Kennedy-Zapata Elementary School	-	341,275	-	-	-	341,275
Col Santos Elementary School	-	281,041	-	-	-	281,041
Roosevelt Elementary School	-	340,194	-	-	-	340,194
Zaffirini Elementary School	-	436,113	-	-	-	436,113
Cuellar Elementary School	-	411,784	-	-	-	411,784
Muller Elemetary School	-	411,631	-	-	-	411,631
Arndt Elementary School	-	437,474	-	-	-	437,474
TOTAL	\$ -	\$ 2,659,511	\$ -	\$ 5,825	\$ -	\$ 2,665,336
COCURRICULAR/EXTRACURRICULUM-36						
United High School	\$ -	\$ 1,553,261	\$ 178,447	\$ 12,399	\$ -	\$ 1,744,107
United South High School	-	1,581,797	364,617	-	-	1,946,414
John B Alexander High School	-	1,618,299	-	5,372	-	1,623,671
Lbj High School	-	2,157,774	-	-	-	2,157,774
United Middle School	-	53,640	394,511	6,700	-	454,851
United South Middle School	-	331,676	-	-	-	331,676
Salvador Garcia Middle School	-	353,495	13,006	-	-	366,501
Washington Middle School	-	363,495	-	-	-	363,495

