

KENTUCKY HIGH SCHOOL ATHLETIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE G - ACCRUED SICK LEAVE

The Association's employees are granted sick leave in accordance with administrative policy. Employees earn one day per month with unlimited accumulation. Employees are compensated for 30% of unused accumulated sick leave upon retirement. Compensation shall be the daily rate of pay being received at the time of retirement, based upon 260 work days per year. KERS members receive a retirement service credit while KTRS members receive retirement service credit from KTRS and a board-funded sick leave payment. As of June 30, 2011 and 2010, the estimated accrued sick leave liability was \$92,346 and \$108,113.

NOTE H - IN-KIND SUPPORT AND EXPENDITURES

The Association receives donated services from a variety of unpaid vendors. These non-cash benefits are traded out for tickets or admission to various tournaments. The fair market value of these benefits is included as revenue and expenses to program activities. Donated services that are recognized in the basic financial statements for the years ended June 30, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Vehicles	\$ 20,250	\$ 24,250

NOTE I - TEMPORARILY RESTRICTED AND BOARD DESIGNATED NET ASSETS

Temporarily restricted net assets are restricted for the following purposes:

National City Bank scholarships	\$ 39,916
Pannell swim scholarships	500
Leachman scholarships	500
	<u>\$ 40,916</u>

Unrestricted net assets have been designated by the Board of Control for the following purposes:

Museum development	\$103,918
Trademark/novelty reserve	44,647
Officials division recognition	28,613
Physical plant emergencies	31,872
Equipment replacement	5,137
Title IX Project	49,993
Promotion media reserve	118,966
Sportsmanship awards	14,441
Archives reserve	37,271
Web development reserve	45,708
Accrued sick leave	92,346
Dawahares Hall of Fame reserve	17,000
	<u>\$594,227</u>