

**UNIFIED SCHOOL DISTRICT NO. 379**

Clay Center, Kansas

**FINANCIAL STATEMENT**

**WITH REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION**

**AND**

**INDEPENDENT AUDITOR'S REPORT**

June 30, 2020

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
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November 3, 2020

Board of Education  
Unified School District No. 379  
Clay Center, Kansas

### Independent Auditor's Report

We have audited the accompanying fund summary statement of regulatory receipts, expenditures, and unencumbered cash balances (the financial statement) of the Unified School District No. 379 (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statement.

#### Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the District to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Independent Auditor's Report*

**Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the previous paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2020, or changes in financial position or cash flows thereof for the year then ended.

**Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

**Report on Regulatory-Required Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances as a whole. The summary of regulatory basis expenditures-actual and budget and non-budgeted funds, individual fund schedules of regulatory basis receipts and expenditures - actual and budget, summary of receipts and disbursements - agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash - activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

**Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

Our audit was performed for the purpose of forming an opinion on the regulatory basis financial statement of the District, taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statement as a whole.

November 3, 2020  
Unified School District No. 379  
(continued)

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated November 3, 2020, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

*Vannoy & Associates CPAs LLC*

Certified Public Accountants  
Manhattan, Kansas

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>GOVERNMENTAL TYPE FUNDS</b>							
General Funds:							
General	\$ -	\$ -	\$ 9,327,414	\$ 9,327,414	\$ -	\$ 27,709	\$ 27,709
Supplemental General	228,729	-	2,793,644	2,845,478	176,895	-	176,895
Special Purpose Funds							
At-Risk (K-12) Fund	261,191	-	850,674	852,043	259,822	-	259,822
Bilingual Education Fund	6,115	-	5,912	5,000	7,027	-	7,027
Virtual Education Fund	51,497	-	88,000	88,060	51,437	-	51,437
Capital Outlay Fund	860,360	-	3,644,254	2,092,703	2,411,911	404,954	2,816,865
Driver Training Fund	54,983	-	18,170	7,352	65,801	-	65,801
Extraordinary School Program Fund	-	-	6,008	6,008	-	-	-
Contingency Reserve Fund	309,707	-	400,871	-	710,578	-	710,578
Food Service Fund	182,142	-	712,661	716,988	177,815	-	177,815
Professional Development Fund	56,880	-	48,064	50,811	54,133	-	54,133
Parent Education Fund	11,505	-	96,370	94,965	12,910	-	12,910
Special Education Fund	760,432	-	1,894,488	1,894,447	760,473	-	760,473
Career and Postsecondary Education Fund	162,896	-	559,043	546,468	175,471	10,512	185,983
Special Education Cooperative Fund	539,668	-	4,975,556	4,888,915	626,309	318	626,627
KPERS Special Retirement Contribution Fund	-	-	1,602,410	1,602,410	-	-	-
Textbook Rental Fund	258,273	-	67,693	104,589	221,377	-	221,377
Gifts and Grants Fund	30,900	-	45,134	39,215	36,819	15,693	52,512
Grants Fund	13,442	-	399,524	394,745	18,221	750	18,971
District Activity	43,711	-	132,159	126,606	49,264	-	49,264
Bond and Interest Funds							
Bond and Interest	759,845	-	843,285	784,980	818,150	-	818,150
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<u>\$ 4,592,276</u>	<u>\$ -</u>	<u>\$ 28,511,334</u>	<u>\$ 26,469,197</u>	<u>\$ 6,634,413</u>	<u>\$ 459,936</u>	<u>\$ 7,094,349</u>

**Composition of Cash**

Checking							
Union State Bank							\$ 7,103,571
United Bank & Trust							102,453
Riley State Bank							23,145
<b>Total Cash</b>							<u>7,229,169</u>
Less: Agency Funds per Schedule 3							<u>(134,820)</u>
<b>Total Reporting Entity (Excluding Agency Funds)</b>							<u>\$ 7,094,349</u>

The accompanying notes are an integral part of this financial statement.  
 See Independent Auditor's Report.

# *Financial Statement*

**UNIFIED SCHOOL DISTRICT NO. 379**  
Clay Center, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
For the Year Ended June 30, 2020

**Note 1: Summary of Significant Accounting Policies**

Unified School District No. 379 (the District) is a Kansas school district governed by an elected seven-member Board of Education. The District prepares and reports its financial information in conformance with the regulatory basis of accounting as prescribed by the Director of Accounts and Reports of the State of Kansas and published in the *Kansas Municipal Audit and Accounting Guide*.

**Reimbursed Expenses**

Expenditures in the amount of \$48,436 and \$292,599 are classified as reimbursed expenses in the General Fund and Capital Outlay Fund, respectively. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party.

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

**Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America**

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

**Regulatory Basis Fund Types**

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

**Special Purpose fund** -- used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

**Bond and Interest fund** -- used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

**Agency fund** -- used to report assets held by the District in a purely custodial capacity.

**UNIFIED SCHOOL DISTRICT NO. 379**  
Clay Center, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
For the Year Ended June 30, 2020

**Note 1: Summary of Significant Accounting Policies (Continued)**  
**Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute) and bond and interest funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding twelve month period on or before August 1st of each year.
2. Publication in a local newspaper of the proposed budget and this notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budget expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust and agency funds, and the following special purpose funds:

Contingency Reserve	District Activity
Textbook Rental	

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



**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
 For the Year Ended June 30, 2020

**Note 2: Deposits and Investments**

K.S.A. 9-1401 established the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate or depository risk.

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

*Concentration of credit risk.* State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk -- deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. K.S.A. 9-1402 and 9-1405 require the District's deposits in a financial institution be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka.

At June 30, 2020, the carrying amount of the District's deposits was \$7,229,170. The bank balance was \$7,641,309. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balances, \$380,877 was secured by FDIC insurance and the remaining \$7,260,432 was collateralized by pledged securities with a fair market value of \$9,419,645 held under joint custody receipts issued by a third-party bank in the school district's name. The third-party bank holding the pledged securities is independent of the pledging bank.

*Custodial credit risk -- investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. As of June 30, 2020, the District had no cash investments.

**Note 3: In-Substance Receipt in Transit**

The District received \$383,943 for general fund and \$78,237 for supplemental general fund subsequent to June 30, 2020 and as required by K.S.A. 72-5135(d), the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

**Note 4: Interfund Transfers**

Transfers were as follows:

From	To	Regulatory Authority	Amount
General	At-Risk (K-12)	K.S.A. 72-6478	\$ 560,000
General	Bilingual	K.S.A. 72-6478	5,000
General	Virtual Education	K.S.A. 72-6478	56,000
General	Contingency Reserve	K.S.A. 72-6478	400,871
General	Food Service	K.S.A. 72-6478	7,568
General	Professional Development	K.S.A. 72-6478	45,000
General	Parent Education	K.S.A. 72-6478	28,810
General	Special Education	K.S.A. 72-6478	1,262,284
General	Career and Postsecondary Education	K.S.A. 72-6478	147,719
Supplemental General	At-Risk (K-12)	K.S.A. 72-6478	290,674
Supplemental General	Bilingual	K.S.A. 72-6478	912
Supplemental General	Virtual Education	K.S.A. 72-6478	32,000
Supplemental General	Special Education	K.S.A. 72-6478	620,000
Supplemental General	Career and Postsecondary Education	K.S.A. 72-6478	376,000
<b>Total Transfers</b>			<b>\$ 3,832,838</b>

**Notes to Financial Statement**

**UNIFIED SCHOOL DISTRICT NO. 379**  
Clay Center, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
For Year Ended June 30, 2020

**Note 5: Long-Term Debt**

Following is a summary of long-term debt transactions of the District for the year ended June 30, 2020:

	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Changes</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
<b>General Obligation Bonds</b>										
Series 2005-A Refunding	3.50-4.25%	10/1/11	\$ 3,795,000	10/1/19	\$ 520,000	\$ -	\$ 520,000	\$ (520,000)	\$ -	\$ 9,880
Series 2015-A	2.00-3.00%	5/1/14	7,600,000	9/1/30	7,480,000	-	65,000	(65,000)	7,415,000	190,100
<b>Lease Purchase</b>										
Computers	1.90%	11/15/18	356,290	1/15/22	136,256	-	89,178	(89,178)	47,078	2,574
Building Carts	4.15%	11/15/18	116,850	1/15/22	86,426	-	27,646	(27,646)	58,780	3,587
HVAC Equipment	2.89%	4/14/20	1,998,860	4/15/30	-	1,998,860	28,629	1,970,231	1,970,231	9,777
<b>Total Long-Term Debt</b>					<u>\$ 8,222,682</u>	<u>\$ 1,998,860</u>	<u>\$ 730,453</u>	<u>\$ 1,268,407</u>	<u>\$ 9,491,089</u>	<u>\$ 215,918</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026-2030</u>	<u>2031-2035</u>	<u>Total</u>
<b>Principal</b>								
Series 2015-A	\$ 600,000	\$ 615,000	\$ 625,000	\$ 635,000	\$ 650,000	\$ 3,520,000	\$ 770,000	\$ 7,415,000
Computers	47,078	-	-	-	-	-	-	47,078
Building Carts	28,793	29,987	-	-	-	-	-	58,780
HVAC Equipment	175,809	180,959	186,261	191,611	197,325	1,038,266	-	1,970,231
<b>Total Principal</b>	<u>\$ 851,680</u>	<u>\$ 825,946</u>	<u>\$ 811,261</u>	<u>\$ 826,611</u>	<u>\$ 847,325</u>	<u>\$ 4,558,266</u>	<u>\$ 770,000</u>	<u>\$ 9,491,089</u>
<b>Interest</b>								
Series 2015-A	\$ 183,450	\$ 171,300	\$ 158,900	\$ 146,300	\$ 132,638	\$ 382,101	\$ 11,550	\$ 1,186,239
Computers	894	-	-	-	-	-	-	894
Building Carts	2,439	1,244	-	-	-	-	-	3,683
HVAC Equipment	54,629	49,479	44,180	38,830	33,113	75,515	-	295,746
<b>Total Interest</b>	<u>\$ 241,412</u>	<u>\$ 222,023</u>	<u>\$ 203,080</u>	<u>\$ 185,130</u>	<u>\$ 165,751</u>	<u>\$ 457,616</u>	<u>\$ 11,550</u>	<u>\$ 1,486,562</u>

**UNIFIED SCHOOL DISTRICT NO. 379**  
Clay Center, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
For the Year Ended June 30, 2020

**Note 6: Defined Benefit Pension Plan**

**Plan description.** The District participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. KPERs' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERs website at [www.kpers.org](http://www.kpers.org) or by writing to KPERs (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

**Contributions.** K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERs member-employee contribution rates. KPERs has multiple benefit structures and contribution rates depending on whether the employee is a KPERs 1, KPERs 2 or KPERs 3 member. KPERs 1 members are active and contributing members hired before July 1, 2009. KPERs 2 members were first employed in a covered position on or after July 1, 2009 and KPERs 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERs member-employee contribution rate of 6% of covered salary for KPERs 1, KPERs 2 and KPERs 3 members. Member contributions are withheld by their employer and paid to KPERs according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERs 1, KPERs 2 and KPERs 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.59% and 13.21%, respectively, for the fiscal year ended June 30, 2019. The actuarially determined employer contribution rate and the statutory contribution rate was 16.15% and 14.41% for the fiscal year ended June 30, 2020.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERs were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year. The first year payment of \$6.4 million was received in July 2017 and appropriations for fiscal year 2018 were made for the State/School group at the statutory contribution rate of 12.01% for that year.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERs were decreased by \$194.0 million for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

2018 House Substitute for Senate Bill 109 provided for additional funding for KPERs School group. A payment of \$56 million was paid in fiscal year 2018. This bill also authorized a payment of \$82 million in fiscal year 2019.

2019 Senate Bill 9 authorized a payment of \$115 million for the KPERs School group.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$1,602,410 for the year ended June 30, 2020.

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
 For the Year Ended June 30, 2020

**Note 6: Defined Benefit Pension Plan (Continued)**

*Net Pension Liability.* At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$16,045,821. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2019. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

**Note 7: Compensated Absences**

Classified personnel employed on a twelve month full-time status are eligible for a paid two week vacation. Vacation days may not be carried over from one fiscal year to another.

Payment for accumulated unused sick leave to a maximum of 60 days will be made upon retirement, death, or reduction in force. Payment will be based on a total number of full years of service in the District, less the number of prior years of service for which payment has been made. The rate of payment will be determined by the daily rate in effect at the time of retirement. The total number of full years of service and the reimbursement schedule is as follows:

<b>Number of Full Year of Service</b>	<b>Rate of Payment (Percentage of Daily Base Pay Rate)</b>
0 - 3	0%
4 - 9	15%
10 - 19	20%
20 - 29	25%
30+	30%

The District has not recorded or computed this liability.

**Note 8: Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settlements of claims have not exceeded coverage during the past three fiscal years.

**UNIFIED SCHOOL DISTRICT NO. 379**  
Clay Center, Kansas  
**NOTES TO FINANCIAL STATEMENT**  
For the Year Ended June 30, 2020

**Notes to Financial Statement**

**Note 10: Commitments and Contingencies**

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material negative effect on the financial statement of the District as of June 30, 2020.

**Note 11: Related Party Transactions**

During the year ended June 30, 2020, the District paid \$8,639 for fuel and \$249 for heating and air services to companies owned by the District board members.

**Note 12: Other Post Employment Benefits**

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

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

**Note 13: Death and Disability Other Post Employment Benefits**

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2020.

**Note 14: Subsequent Events**

Management has evaluated the effects on the financial statement of subsequent events occurring through November 3, 2020, which is the date at which the financial statement was available to be issued.

**REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE 1

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**  
 For the Year Ended June 30, 2020

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental Type Funds						
General Funds						
General	\$ 9,773,012	\$ (494,034)	\$ 48,436	\$ 9,327,414	\$ 9,327,414	\$ -
Supplemental General	2,981,276	(135,798)	-	2,845,478	2,845,478	-
Special Purpose Funds						
At-Risk (K-12) Fund	1,201,633	-	-	1,201,633	852,043	(349,590)
Bilingual Education Fund	7,027	-	-	7,027	5,000	(2,027)
Virtual Education Fund	136,497	-	-	136,497	88,060	(48,437)
Capital Outlay Fund	1,800,536	-	292,599	2,093,135	2,092,703	(432)
Driver Training Fund	39,700	-	-	39,700	7,352	(32,348)
Extraordinary School Program Fund	15,000	-	-	15,000	6,008	(8,992)
Food Service Fund	777,000	-	-	777,000	716,988	(60,012)
Professional Development Fund	60,630	-	-	60,630	50,811	(9,819)
Parent Education Fund	99,928	-	-	99,928	94,965	(4,963)
Special Education Fund	2,490,938	-	-	2,490,938	1,894,447	(596,491)
Career and Postsecondary Education Fund	730,396	-	-	730,396	546,468	(183,928)
Special Education Cooperative Fund	5,734,884	-	-	5,734,884	4,888,915	(845,969)
KPERs Special Retirement Contribution Fund	1,861,244	-	-	1,861,244	1,602,410	(258,834)
Gifts and Grants Fund	95,899	-	-	95,899	39,215	(56,684)
Grants Fund	411,146	-	-	411,146	394,745	(16,401)
Debt Service Fund						
Bond and Interest	784,980	-	-	784,980	784,980	-
	<u>\$ 29,001,726</u>	<u>\$ (629,832)</u>	<u>\$ 341,035</u>	<u>\$ 28,712,929</u>	<u>\$ 26,238,002</u>	<u>\$ (2,474,927)</u>

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**GENERAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>CASH RECEIPTS</b>			
Federal aid	\$ 30,425	\$ -	\$ 30,425
State aid	9,248,553	9,773,012	(524,459)
Reimbursements	48,436	-	48,436
<b>Total Cash Receipts</b>	<u>\$ 9,327,414</u>	<u>\$ 9,773,012</u>	<u>\$ (445,598)</u>
<b>EXPENDITURES</b>			
Instruction	\$ 3,316,411	\$ 3,422,421	\$ (106,010)
Student support services	496,201	485,523	10,678
Instructional support services	276,797	336,716	(59,919)
General administration	298,998	324,224	(25,226)
School administration	919,404	927,346	(7,942)
Central services	130,039	161,970	(31,931)
Operations and maintenance	970,260	1,162,506	(192,246)
Student transportation services	406,052	481,687	(75,635)
Transfers	2,513,252	2,470,619	42,633
Adjustment to comply with legal maximum budget	-	(494,034)	494,034
Adjustment for qualifying budget credits	-	48,436	(48,436)
<b>Total Expenditures</b>	<u>\$ 9,327,414</u>	<u>\$ 9,327,414</u>	<u>\$ -</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>-</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u><u>\$ -</u></u>		



**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SUPPLEMENTAL GENERAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Ad valorem taxes	\$ 1,386,706	\$ 52,450	\$ 1,334,256
Delinquent taxes	12,542	16,875	(4,333)
Motor vehicle taxes	156,898	172,205	(15,307)
State aid	1,237,498	1,296,557	(59,059)
<b>Total Cash Receipts</b>	<u>\$ 2,793,644</u>	<u>\$ 1,538,087</u>	<u>\$ 1,255,557</u>
<b>EXPENDITURES</b>			
Instruction	\$ 1,229,177	\$ 1,188,159	\$ 41,018
Instructional support services	1,578	10,000	(8,422)
General administration	97,934	55,000	42,934
School administration	49,691	49,000	691
Operations and maintenance	147,512	198,697	(51,185)
Transfers	1,319,586	1,480,420	(160,834)
Adjustment to comply with legal maximum budget	-	(135,798)	135,798
<b>Total Expenditures</b>	<u>\$ 2,845,478</u>	<u>\$ 2,845,478</u>	<u>\$ -</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<u>\$ (51,834)</u>		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>228,729</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 176,895</u>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**AT RISK (K-12) FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Transfers	\$ 850,674	\$ 945,674	\$ (95,000)
<b>EXPENDITURES</b>			
Instruction	\$ 852,043	\$ 1,201,633	\$ (349,590)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ (1,369)		
<b>UNENCUMBERED CASH - BEGINNING</b>	261,191		
<b>UNENCUMBERED CASH - ENDING</b>	\$ 259,822		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**BILINGUAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Transfers	<u>\$ 5,912</u>	<u>\$ 912</u>	<u>\$ 5,000</u>
<b>EXPENDITURES</b>			
Instruction	<u>\$ 5,000</u>	<u>\$ 7,027</u>	<u>\$ (2,027)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<u>\$ 912</u>		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>6,115</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u><u>\$ 7,027</u></u>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**VIRTUAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Transfers	\$ 88,000	\$ 141,000	\$ (53,000)
<b>EXPENDITURES</b>			
Instruction	\$ 88,060	\$ 136,497	\$ (48,437)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ (60)		
<b>UNENCUMBERED CASH - BEGINNING</b>	51,497		
<b>UNENCUMBERED CASH - ENDING</b>	\$ 51,437		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**CAPITAL OUTLAY FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Ad valorem taxes	\$ 800,278	\$ 746,524	\$ 53,754
Delinquent taxes	4,353	5,007	(654)
Motor vehicle taxes	58,661	65,378	(6,717)
Federal aid	41,159	-	41,159
State aid	261,213	265,801	(4,588)
Miscellaneous	2,147,168	-	2,147,168
Reimbursements	292,599	-	292,599
Interest on idle funds	38,823	45,000	(6,177)
<b>Total Cash Receipts</b>	<b>\$ 3,644,254</b>	<b>\$ 1,127,710</b>	<b>\$ 2,516,544</b>
<b>EXPENDITURES</b>			
Instruction	\$ 132,301	\$ 100,000	\$ 32,301
General administration	-	25,000	(25,000)
Operations and maintenance	702,789	725,536	(22,747)
Student transportation services	225,330	250,000	(24,670)
Facility acquisition and construction services	1,032,283	700,000	332,283
Adjustment for qualifying budget credits	-	292,599	(292,599)
<b>Total Expenditures</b>	<b>\$ 2,092,703</b>	<b>\$ 2,093,135</b>	<b>\$ (432)</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>\$ 1,551,551</b>		
<b>UNENCUMBERED CASH- BEGINNING</b>	<b>860,360</b>		
<b>UNENCUMBERED CASH - ENDING</b>	<b>\$ 2,411,911</b>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**DRIVER TRAINING FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
State aid	\$ 4,420	\$ 3,900	\$ 520
Charges for services	13,750	9,000	4,750
<b>Total Cash Receipts</b>	<b>\$ 18,170</b>	<b>\$ 12,900</b>	<b>\$ 5,270</b>
<b>EXPENDITURES</b>			
Instruction	\$ 6,431	\$ 17,000	\$ (10,569)
Operations and maintenance	921	22,700	(21,779)
<b>Total Expenditures</b>	<b>\$ 7,352</b>	<b>\$ 39,700</b>	<b>\$ (32,348)</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>\$ 10,818</b>		
<b>UNENCUMBERED CASH - BEGINNING</b>	<b>54,983</b>		
<b>UNENCUMBERED CASH - ENDING</b>	<b>\$ 65,801</b>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**EXTRAORDINARY SCHOOL PROGRAM FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Miscellaneous	\$ 6,008	\$ 15,000	\$ (8,992)
<b>EXPENDITURES</b>			
Instruction	\$ 6,008	\$ 15,000	\$ (8,992)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	-		
<b>UNENCUMBERED CASH - ENDING</b>	\$ -		

**UNIFIED SCHOOL DISTRICT NO. 379**  
Clay Center, Kansas  
**CONTINGENCY RESERVE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**  
**Regulatory Basis**  
For the Year Ended June 30, 2020

	<u>Actual</u>
<b>CASH RECEIPTS</b>	
Transfers	<u>\$ 400,871</u>
<b>EXPENDITURES</b>	
Instruction	<u>\$ -</u>
<b>RECEIPTS OVER (UNDER)</b>	
<b>EXPENDITURES</b>	<u>\$ 400,871</u>
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>309,707</u>
<b>UNENCUMBERED CASH - ENDING</b>	<u><u>\$ 710,578</u></u>



**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**FOOD SERVICE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Federal aid	\$ 466,540	\$ 406,123	\$ 60,417
State aid	7,076	6,120	956
Charges for services	231,477	306,060	(74,583)
Transfers	7,568	40,000	(32,432)
<b>Total Cash Receipts</b>	<b>\$ 712,661</b>	<b>\$ 758,303</b>	<b>\$ (45,642)</b>
<b>EXPENDITURES</b>			
Food service operation	\$ 716,988	\$ 777,000	\$ (60,012)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>\$ (4,327)</b>		
<b>UNENCUMBERED CASH- BEGINNING</b>	<b>182,142</b>		
<b>UNENCUMBERED CASH - ENDING</b>	<b>\$ 177,815</b>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**PROFESSIONAL DEVELOPMENT FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Transfers	\$ 45,000	\$ 30,000	\$ 15,000
State aid	3,064	3,750	(686)
<b>Total Cash Receipts</b>	<b>\$ 48,064</b>	<b>\$ 33,750</b>	<b>\$ 14,314</b>
 <b>EXPENDITURES</b>			
Instruction	\$ 38,186	\$ -	\$ 38,186
Instructional support services	12,625	60,630	(48,005)
<b>Total Expenditures</b>	<b>\$ 50,811</b>	<b>\$ 60,630</b>	<b>\$ (9,819)</b>
 <b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>\$ (2,747)</b>		
 <b>UNENCUMBERED CASH - BEGINNING</b>	<b>56,880</b>		
 <b>UNENCUMBERED CASH - ENDING</b>	<b>\$ 54,133</b>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**PARENT EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
State aid	\$ 62,870	\$ 60,435	\$ 2,435
Miscellaneous	4,690	4,690	-
Transfers	28,810	28,810	-
<b>Total Cash Receipts</b>	\$ 96,370	\$ 93,935	\$ 2,435
<b>EXPENDITURES</b>			
Student support services	\$ 92,178	\$ 96,928	\$ (4,750)
Instructional support services	2,787	3,000	(213)
<b>Total Expenditures</b>	\$ 94,965	\$ 99,928	\$ (4,963)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 1,405		
<b>UNENCUMBERED CASH - BEGINNING</b>	11,505		
<b>UNENCUMBERED CASH - ENDING</b>	\$ 12,910		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SPECIAL EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Transfers in	\$ 1,882,284	\$ 2,133,090	\$ (250,806)
Federal aid	7,802	-	7,802
Miscellaneous	4,402	-	4,402
<b>Total Cash Receipts</b>	<u>\$ 1,894,488</u>	<u>\$ 2,133,090</u>	<u>\$ (238,602)</u>
<b>EXPENDITURES</b>			
Instructional support services	\$ 1,758,796	\$ 2,250,000	\$ (491,204)
Student transportation services	135,651	240,938	(105,287)
<b>Total Expenditures</b>	<u>\$ 1,894,447</u>	<u>\$ 2,490,938</u>	<u>\$ (596,491)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 41		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>760,432</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u><u>\$ 760,473</u></u>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**CAREER AND POSTSECONDARY EDUCATION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>CASH RECEIPTS</b>			
Federal aid	\$ 3,000	\$ 11,500	\$ (8,500)
Miscellaneous	32,324	6,000	26,324
Transfers	523,719	631,553	(107,834)
<b>Total Cash Receipts</b>	<u>\$ 559,043</u>	<u>\$ 649,053</u>	<u>\$ (90,010)</u>
<b>EXPENDITURES</b>			
Instruction	\$ 542,404	\$ 722,396	\$ (179,992)
Instructional support services	4,064	8,000	(3,936)
<b>Total Expenditures</b>	<u>\$ 546,468</u>	<u>\$ 730,396</u>	<u>\$ (183,928)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 12,575		
<b>UNENCUMBERED CASH - BEGINNING</b>	<u>162,896</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 175,471</u>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SPECIAL EDUCATION COOPERATIVE FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Federal aid	\$ 708,396	\$ 740,121	\$ (31,725)
State aid and contributions	3,540	3,000	540
Flow-through payments	1,606,348	2,706,747	(1,100,399)
Assessments	898,477	-	898,477
Miscellaneous	1,758,795	2,008,397	(249,602)
<b>Total Cash Receipts</b>	<u>\$ 4,975,556</u>	<u>\$ 5,458,265</u>	<u>\$ (482,709)</u>
<b>EXPENDITURES</b>			
Instruction	\$ 3,608,102	\$ 4,150,434	\$ (542,332)
Student support services	904,504	1,126,000	(221,496)
Instructional support services	16,751	31,450	(14,699)
General administration	336,817	389,000	(52,183)
Operations and maintenance	22,741	38,000	(15,259)
<b>Total Expenditures</b>	<u>\$ 4,888,915</u>	<u>\$ 5,734,884</u>	<u>\$ (845,969)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ 86,641		
<b>UNENCUMBERED CASH- BEGINNING</b>	<u>539,668</u>		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ 626,309</u>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**KPERS RETIREMENT CONTRIBUTION FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
State aid	\$ 1,602,410	\$ 1,861,244	\$ (258,834)
<b>EXPENDITURES</b>			
Instruction	\$ 1,105,664	\$ 1,284,259	\$ (178,595)
Student support services	144,217	167,512	(23,295)
Instructional support services	32,048	37,225	(5,177)
General administration	48,072	55,837	(7,765)
School administration	96,145	111,675	(15,530)
Central services	16,024	18,612	(2,588)
Operations and maintenance	64,096	74,450	(10,354)
Student transportation services	48,072	55,837	(7,765)
Food service	48,072	55,837	(7,765)
<b>Total Expenditures</b>	\$ 1,602,410	\$ 1,861,244	\$ (258,834)
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -		
<b>UNENCUMBERED CASH - BEGINNING</b>	-		
<b>UNENCUMBERED CASH - ENDING</b>	\$ -		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**TEXTBOOK RENTAL FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**  
**Regulatory Basis**  
 For the Year Ended June 30, 2020

	<b>Actual</b>
<b>CASH RECEIPTS</b>	
Charges for services	\$ 67,693
<b>EXPENDITURES</b>	
Instruction	\$ 104,589
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ (36,896)
<b>UNENCUMBERED CASH - BEGINNING</b>	258,273
<b>UNENCUMBERED CASH - ENDING</b>	\$ 221,377



**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**GIFTS AND GRANTS FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Miscellaneous	\$ 45,134	\$ 65,000	\$ (19,866)
<b>EXPENDITURES</b>			
Instruction	\$ 32,605	\$ 95,899	\$ (63,294)
Central services	1,244	-	1,244
Operations and maintenance	4,100	-	4,100
Student transportation services	1,266	-	1,266
<b>Total Expenditures</b>	<b>\$ 39,215</b>	<b>\$ 95,899</b>	<b>\$ (56,684)</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>\$ 5,919</b>		
<b>UNENCUMBERED CASH- BEGINNING</b>	<b>30,900</b>		
<b>UNENCUMBERED CASH - ENDING</b>	<b>\$ 36,819</b>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SCHEDULE OF RECEIPTS AND EXPENDITURES**  
 Regulatory Basis  
**GRANT FUNDS**  
 For the Year Ended June 30, 2020

	Title I	Federal Title IIA (Teacher Quality)	ESCE	Title VI-B	Title IV Student Support	Title IV Project Lead	CARES	Total Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>										
Federal aid	\$ 191,229	\$ 40,631	\$ 29,383	\$ 26,142	\$ 14,000	\$ 70,000	\$ 15,000	\$ 386,385	\$ 397,703	\$ (11,318)
Other	-	-	-	-	-	13,139	-	13,139	-	13,139
<b>Total Receipts</b>	<u>\$ 191,229</u>	<u>\$ 40,631</u>	<u>\$ 29,383</u>	<u>\$ 26,142</u>	<u>\$ 14,000</u>	<u>\$ 83,139</u>	<u>\$ 15,000</u>	<u>\$ 399,524</u>	<u>\$ 397,703</u>	<u>\$ (11,318)</u>
<b>EXPENDITURES</b>										
Instruction	\$ 191,229	\$ 40,631	\$ 29,383	\$ -	\$ 14,000	\$ 71,834	\$ 1,747	\$ 348,824	\$ 404,146	\$ 55,322
Student support services	-	-	-	-	-	6,526	-	6,526	7,000	474
General administration	-	-	-	-	-	-	640	640	-	(640)
School administration	-	-	-	26,142	-	-	3,118	29,260	-	(29,260)
Operations and maintenance	-	-	-	-	-	-	9,495	9,495	-	(9,495)
<b>Total Expenditures</b>	<u>\$ 191,229</u>	<u>\$ 40,631</u>	<u>\$ 29,383</u>	<u>\$ 26,142</u>	<u>\$ 14,000</u>	<u>\$ 78,360</u>	<u>\$ 15,000</u>	<u>\$ 394,745</u>	<u>\$ 411,146</u>	<u>\$ 25,896</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,779	\$ -	\$ 4,779		
<b>UNENCUMBERED CASH - BEGINNING</b>	-	-	-	-	-	13,442	-	13,442		
<b>UNENCUMBERED CASH - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,221</u>	<u>\$ -</u>	<u>\$ 18,221</u>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**BOND AND INTEREST FUND**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<b>Actual</b>	<b>Budget</b>	<b>Variance - Over (Under)</b>
<b>CASH RECEIPTS</b>			
Ad valorem	\$ 540,449	\$ 508,450	\$ 31,999
Delinquent taxes	5,023	6,210	(1,187)
Motor vehicle taxes	46,619	50,279	(3,660)
State aid	251,194	251,194	-
<b>Total Cash Receipts</b>	<b>\$ 843,285</b>	<b>\$ 816,133</b>	<b>\$ 27,152</b>
 <b>EXPENDITURES</b>			
Interest	\$ 199,980	\$ 199,980	\$ -
Principal	585,000	585,000	-
<b>Total Expenditures</b>	<b>\$ 784,980</b>	<b>\$ 784,980</b>	<b>\$ -</b>
 <b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	 <b>\$ 58,305</b>		
 <b>UNENCUMBERED CASH- BEGINNING</b>	 <b>759,845</b>		
 <b>UNENCUMBERED CASH - ENDING</b>	 <b>\$ 818,150</b>		

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**AGENCY FUNDS**  
**SUMMARY OF RECEIPTS AND DISBURSEMENTS**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Balance July 1, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2020</u>
<b>Elementary Schools</b>				
Lincoln Elementary	\$ 3,679	\$ 55,178	\$ 55,032	\$ 3,825
Garfield Elementary	1,044	30,151	30,096	1,099
<b>Total Elementary Schools</b>	<u>\$ 4,723</u>	<u>\$ 85,329</u>	<u>\$ 85,128</u>	<u>\$ 4,924</u>
<b>Middle School Funds</b>				
Clay Center Community Middle School	\$ 6,801	\$ 64,249	\$ 63,421	\$ 7,629
Wakefield School	25,966	66,191	73,797	18,360
<b>Total Middle School Funds</b>	<u>\$ 32,767</u>	<u>\$ 130,440</u>	<u>\$ 137,218</u>	<u>\$ 25,989</u>
<b>High School Funds</b>				
Clay Center Community High School	\$ 49,549	\$ 230,621	\$ 215,128	\$ 65,042
<b>Other Agency Funds</b>				
Payroll Clearing Fund	\$ 62,434	\$ 14	\$ 23,583	\$ 38,865
<b>TOTAL AGENCY FUNDS</b>	<u><u>\$ 149,473</u></u>	<u><u>\$ 446,404</u></u>	<u><u>\$ 461,057</u></u>	<u><u>\$ 134,820</u></u>

**UNIFIED SCHOOL DISTRICT NO. 379**  
**DISTRICT ACTIVITY FUNDS**  
**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**  
 Regulatory Basis  
 For the Year Ended June 30, 2020

	<u>Beginning Unencumbered Cash Balance</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
<b>District Activity Funds</b>						
Gate Receipts						
Clay Center Community Middle School	\$ 6,356	\$ 27,759	\$ 27,047	\$ 7,068	\$ -	\$ 7,068
Wakefield School	5,267	14,384	14,866	4,785	-	4,785
Clay Center Community High School	32,088	90,016	84,693	37,411	-	37,411
<b>Total District Activity Funds</b>	<u>\$ 43,711</u>	<u>\$ 132,159</u>	<u>\$ 126,606</u>	<u>\$ 49,264</u>	<u>\$ -</u>	<u>\$ 49,264</u>

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 For the Year Ended June 30, 2020

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Federal Award Expenditures</b>
<b>U.S. Department of Education</b>			
Direct U.S. Department of Education Impact Aid (P.L. 81-874)	84.041	N/A	\$ 79,386
Passed through Kansas Department of Education			
Special Education Cluster:			
Title VI, Special Education	84.027	N/A	\$ 591,982
Special Education - Preschool Grants	84.173	N/A	29,383
Total Special Education Cluster			<u>\$ 621,365</u>
Title I	84.010	N/A	\$ 191,229
Vocational Education - Carl Perkins	84.048	N/A	3,000
Title IV Project Lead	84.287	N/A	70,000
Title II-A Teacher Quality	84.367	N/A	40,631
Title IVA Student Support & Academic Enrichment	84.424	N/A	14,000
CARES - Elementary and Secondary School Emergency Relief	84.425	N/A	15,000
Total Passed Through U.S. Department of Education			<u>\$ 955,225</u>
<b>Total Department of Education</b>			<u>\$ 1,034,611</u>
<b>U.S. Department of Agriculture</b>			
Passed through Kansas Department of Education			
Child Nutrition Cluster			
Breakfast	10.553	N/A	\$ 146,214
National School Lunch Program	10.555	N/A	320,326
Subtotal Child Nutrition Cluster			<u>\$ 466,540</u>
Cash for Commodities	10.558	N/A	\$ 1,888
<b>Total Department of Agriculture</b>			<u>\$ 468,428</u>
<b>Total Federal Expenditures</b>			<u>\$ 1,503,039</u>

**UNIFIED SCHOOL DISTRICT NO. 379**  
 Clay Center, Kansas  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 For the Year Ended June 30, 2020

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None
Reportable conditions identified not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None

**Federal Awards**

Internal controls over major programs:		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reportable conditions identified not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Identification of major programs:

<b>Name of Federal program</b>	<b>CFDA Number(s)</b>
Special Education Cluster	84.027 and 84.173

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
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Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Note:

Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status was changed by the U.S. Office of Management and Budget (OMB). Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

**Section II - Financial Statement Findings**

No matters were reported

**Section III - Federal Award Findings and Questioned Costs**

There were no current year findings or questioned costs.



November 3, 2020

Board of Education  
Unified School District No. 379  
Clay Center, Kansas

**Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statement  
Performed in Accordance With Government Auditing Standards**

We have audited, 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, the financial statement of Unified School District No. 379 (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated November 3, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

*Independent Auditor's Report*



November 3, 2020  
Unified School District No. 379  
(continued)

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Vannoy & Associates CPAs LLC*

Certified Public Accountants  
Manhattan, Kansas

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*Independent Auditor's Report*



November 3, 2020

Board of Education  
Unified School District No. 379  
Clay Center, Kansas

**Independent Auditor's Report on Compliance for Each  
Major Program and on Internal Control Over  
Compliance in Accordance with the Uniform Guidance**

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

We have audited the compliance of Unified School District Number 379's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program have occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

*Independent Auditor's Report*

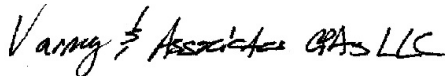
**Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. According, this report is not suitable for any other purpose.



Certified Public Accountants  
Manhattan, Kansas