

UNIFIED SCHOOL DISTRICT NO. 469

Lansing, Kansas

REGULATORY BASIS

FINANCIAL STATEMENTS

For the year ended June 30, 2020

And

INDEPENDENT AUDITOR'S REPORTS
ON FINANCIAL STATEMENTS

...***KL***...

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Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Board of Education
Unified School District No. 469
Lansing, Kansas 66043

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 469, Lansing, Kansas as of and for the year ended June 30, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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 presentation 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 financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 of 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 the assessment of the risks of material misstatement of the financial statements, 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 statements.

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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 Unified School District No. 469, Lansing, 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.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Unified School District No. 469, Lansing, Kansas as of June 30, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified 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 Unified School District No. 469, Lansing, Kansas 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.

Other Matters

Other Reporting Required by Government Auditing Standards

In accordance with “Government Auditing Standards”, we have also issued our report dated March 1, 2021, 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control of financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with “Government Auditing Standards” in considering the District’s internal control over financial reporting and compliance.

Supplementary Information

Our audit was conducted for the purpose of forming opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, Schedule of receipts and expenditures – nonbudgeted funds, schedule of regulatory basis receipts and expenditures-district activity funds, and summary of receipts and expenditures-agency funds (Schedules 1, 2, 3, 4 and 5 as listed in the table of contents) are presented for purposes of additional 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*. The accompany schedule of expenditures of federal awards is presented for purposes of additional analysis as required but U.S Office of Management and Budget “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200 (Uniform Guidance) and is not a required part of the financial statements. 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.

Karlin & Long, LLC

Karlin & Long, LLC
Certified Public Accountants

Lenexa, KS

March 1, 2021

USD #469 LANSING, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2020

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds							
General	\$ -	\$ -	\$ 17,302,580	\$ 17,302,580	\$ -	\$ -	\$ -
Supplemental General	179,922	-	5,761,965	5,707,841	234,046	46,991	281,037
Special Purpose Funds							
Career and Postsecondary Education	1,375	-	449,344	450,719	-	-	-
Special Education	210,089	-	6,389,911	6,599,648	352	40,417	40,769
Driver Education	9,176	-	5,758	12,696	2,238	-	2,238
Food Service	285,916	-	992,223	1,028,227	249,912	-	249,912
Capital Outlay	196,263	-	1,989,084	1,894,324	291,023	32,956	323,979
Gifts and Grants	6,931	-	46,000	-	52,931	-	52,931
Parent Education	21,416	-	106,308	121,416	6,308	-	6,308
Professional Development	8,682	-	43,474	52,156	-	-	-
KPERS Special Contribution	-	-	2,660,915	2,660,915	-	-	-
At Risk (K-12)	-	-	1,401,800	1,400,000	1,800	-	1,800
At Risk (4 yr olds)	-	-	153,946	120,000	33,946	-	33,946
Bilingual	3,528	-	76,086	79,614	-	-	-
District Activity Funds	120,560	-	238,667	155,604	203,623	-	203,623
Textbook Rental Fund	-	-	15,092	-	15,092	-	15,092
Contingency Reserve Fund	97,076	-	-	-	97,076	-	97,076
Title I	-	-	177,073	177,073	-	-	-
LEF Grant	1,179	-	26,883	28,058	4	-	4
Special Assessment	165,122	-	173,393	168,977	169,538	-	169,538
Title IIA - Teacher Quality	-	-	42,260	42,260	-	-	-
Title IV	-	-	16,745	16,745	-	-	-
Debt Service Fund							
Bond and Interest	3,545,838	-	5,153,918	4,944,932	3,754,824	-	3,754,824
Total Reporting	\$ <u>4,853,073</u>	\$ <u>-</u>	\$ <u>43,223,425</u>	\$ <u>42,963,785</u>	\$ <u>5,112,713</u>	\$ <u>120,364</u>	\$ <u>5,233,077</u>
Composition of Cash					Checking Accounts		\$ 5,472,323
					Savings Accounts		
					Municipal Investment Pool		2,901
					Certificates of Deposit		
					Total Cash		5,475,224
					Agency Funds per Statement 4		242,147
					Total Reporting Entity		\$ <u>5,233,077</u>

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

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies

Financial Reporting Entity

USD No. 469 is a municipal corporation governed by an elected seven member board. The district as an entity has been defined to include, on a combined basis, (a) USD No.469 (b) organizations for which USD No. 469 is financially accountable, and (c) other organizations for which the nature and significance of their relationship with USD No.469 are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. There are currently no organizations which meet the foregoing criteria for being combined in the District's report.

Fund Descriptions

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the District for the year 2020:

Governmental Funds

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

Special Purpose Funds – 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 Funds – Used to account for the accumulation of resources for and the payments of, interest and principal and related costs, on general long-term debt.

Fiduciary Funds

Agency Funds – Used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies (Continued)

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

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

Reimbursed Expenses

Expenditures in the amount of \$136,591 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payment 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. All reimbursed expenses shown in the financial statements meet the following criteria: 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.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

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), bond and interest funds, and business funds. Although directory rather than mandatory, 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 calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and 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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget and 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. There were budget amendments to the General Fund and the Special Education Fund during the period under audit.

The statutes permit transferring budgeted amounts between accounts 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 schedules 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 regulatory receipts are recognized when cash is received.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

Expenditures include disbursements, accounts payable, and encumbrances with disbursements being adjusted for the 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 budgeted expenditure authority lapses at year-end.

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

Contingency Reserve Fund	District Activity Funds
Title I Fund	Special Assessment
Textbook Rental Fund	Title IIA Fund

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

Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as expenditures.

Use of Estimates

The process of preparing financial statements requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – Deposits and Investments

Deposits

K.S.A. 9-1401 establishes 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 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 risk.

K.S.A. 12-1675 limits the district's investments of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The district has no investment policy that would further limit its investment choices. The district had the following investments during 2020.

Investments	Fair Value	Less than 1 year	1-2	Rating U.S
Kansas Municipal Investment Pool	\$ 2,901	\$ 2,901		S&P AA Af/S1+

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 K.S.A. 9-1405. The Municipality's allocation of investments as of June 30, 2020.

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – Deposits and Investments (Continued)

Concentration of Credit Risk (Continued)

Custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned to it. State statutes require the district's deposits in financial institutions to 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, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2020.

At June 30, 2020 the government's carrying amount of deposits was \$5,472,323 and the bank balance was \$5,505,435. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance and the balance was collateralized with securities held by the pledging financial institutions' agents in the district's name.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the government 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 Municipality had invested \$2,901 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – **Defined Benefit Pension Plan**

Plan Description – USD 469 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. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas; 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 contributions 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 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), a state general fund employer contributions to KPERS were decreased by \$64.13 million for the fiscal year ended June 30, 2017. Section 43(17) of the bill stipulated that repayments of the reduced contributions are to be amortized over twenty years at the 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 of 2017 and appropriations for

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – Defined Benefit Pension Plan (continued)

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), 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 the level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million dollars 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 employers share except for the 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 \$ 2,660,915 for the year ended June 30, 2020.

Net Pension Liability At June 30, 2020 the District's proportionate share of collective net pension liability reported by KPERS was \$22,528,154. 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 Districts proportion of the net pension liability was based on the ratio of the Districts 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 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 publically available on the website www.kpers.org or can be obtained as described above.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Risk Management

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the district carries commercial insurance. There have been no significant reductions in coverage from prior years and settlements have not exceeded coverage in the past three years.

NOTE 5 – Stewardship, Compliance and Accountability

We noted a violation of K.S.A. 10-130 regarding the transmittal of bond funds to the State Treasurer in a timely manner. The funds are to be remitted to the state fiscal agent at least 20 days before the maturity of the bonds. The payments were made after the applicable allotted time.

NOTE 6 – Compensated Absences

Vacation Leave: Full-time, 12 month classified employees are entitled to 10 days annual vacation leave per year. During the sixth year of employment through the tenth year of employment, the employee earns one additional vacation day per year for each year after five years or a maximum of 15 days per year. Teachers' vacations are regulated by their contracts.

Sick Leave: Classified employees are allowed to accumulate a maximum of six times their yearly allowance. Upon leaving employment, except when terminated, the employee is paid for up to 10 days of unused sick leave that has accumulated above the maximum amount to be carried forward. This is paid at 20% of the substitute daily rate. If no substitute rate is available, the employee is paid at 20% of their daily rate. Classified employees earn sick leave at different rates depending on their position. All teachers receive leave of 12 days at the beginning of each contract year. Additional days are granted based on the years of service in the District. Days not used may accumulate up to 95 days; however, no more than 80 days may be carried forward from the preceding year. Any liability for absences is considered immaterial by management.

NOTE 7 – In Substance Receipt in Transit

The District received \$ 988,242 subsequent to June 30, 2020 and as required by K.S.A 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – 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 effect on the financial statements of the District as of June 30, 2020.

NOTE 9 – Interfund Transactions

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Capital Outlay	K.S.A 72-6428	\$ 86,824
General Fund	Bilingual Education Fund	K.S.A 72-6428	76,006
General Fund	Special Education Fund	K.S.A 72-6428	3,304,781
General Fund	Career and Postsecondary	K.S.A 72-6428	440,897
General Fund	At Risk Fund (K-12)	K.S.A 72-6428	962,951
General Fund	At Risk Fund (4 yr old)	K.S.A 72-6428	120,000
Supplemental General Fund	Professional Development	K.S.A 72-6425	36,598
Supplemental General Fund	Parents as Teachers Fund	K.S.A 72-6425	42,683
Supplemental General Fund	Special Education Fund	K.S.A 72-6425	2,129,223
Supplemental General Fund	At Risk Fund (K-12)	K.S.A 72-6425	437,049

NOTE 10 – 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 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 statement.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO FINANCIAL STATEMENTS

NOTE 10 – Other Post Employment Benefits (continued)

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care 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 11 – Indebtedness

The District is subject to the statutes of the State of Kansas that limits the net bonded debt. The debt outstanding may not exceed 14% of the assessed value of all tangible taxable property within the District unless additional authority is granted by the Kansas State Board of Education. The amount of bonds outstanding is computed exclusive of certain bonds specifically exempted from this limitation. At June 30, 2020, the statutory limit for the district was \$19,574,781 thus creating excess indebtedness of \$70,290,219. The outstanding bond principal represents 64.41% of the District valuation. The District has received approval from the Kansas State Board of Education to exceed the general bond debt limitation.

NOTE 12 – Subsequent Events

Subsequent to year end, the district refinanced the available bond to obtain a cost savings to the district.

Subsequent events for management's review have been evaluated through March 1, 2021. The date in the prior sentence is the date the financial statements were available to be issued.

USD #469 LANSING, KANSAS

NOTES TO FINANCIAL STATEMENTS

Note 13 - Long Term Debt

Changes in long-term liabilities for the District for the year ended June 30, 2020 were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds										
Series 2011	3.00%	3/1/12	\$ 8,340,000	9/1/23	\$ 8,115,000	\$	\$ 75,000	\$ (75,000)	\$ 8,040,000	\$ 241,950
Series 2012	3.00-4.00%	3/1/12	78,720,000	9/1/38	74,600,000		73,380,000	(73,380,000)	1,220,000	2,764,232
Series 2016	3.00-4.00%	3/1/17	7,150,000	9/1/26	7,150,000			-	7,150,000	263,750
Series 2019	2.55%	9/24/19	75,280,000	9/1/38	0	75,280,000		75,280,000	75,280,000	-
Leases										
Total Long Term Debt					\$ 89,865,000	\$ 75,280,000	\$ 73,455,000	\$ 1,825,000	\$ 91,690,000	\$ 3,269,932
Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:										
	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2039	Total	
Principal										
General Obligation Bonds										
Series 2011	\$ 1,825,000	\$ 1,945,000	\$ 2,070,000	\$ 2,200,000	\$	\$	\$		\$ 8,040,000	
Series 2012	-	-	40,000	160,000	215,000	805,000			1,220,000	
Series 2016	-	-	-	2,225,000	2,370,000	2,555,000			7,150,000	
Series 2019	-	-	-	470,000	475,000	14,275,000	29,085,000	30,975,000	75,280,000	
Capital leases:										
Energy lease										-
Total Principal	1,825,000	1,945,000	2,110,000	5,055,000	3,060,000	17,635,000	29,085,000	30,975,000	91,690,000	
Interest										
General Obligation Bonds										
Series 2011	213,825	157,275	97,050	33,000						501,150
Series 2012	2,732,231	2,732,231	1,423,816	193,000	242,375	831,025				8,154,678
Series 2016	263,750	263,750	263,750	263,750	230,375	200,700				1,486,075
Series 2019	-	-	962,044	1,919,785	1,911,015	9,037,935	6,296,380	1,840,113		21,967,272
Capital leases:										
Energy lease										-
Total Interest	3,209,806	3,153,256	2,746,660	2,409,535	2,383,765	10,069,660	6,296,380	1,840,113		32,109,175
Total Principal and Interest	\$ 5,034,806	\$ 5,098,256	\$ 4,856,660	\$ 7,464,535	\$ 5,443,765	\$ 27,704,660	\$ 35,381,380	\$ 32,815,113		\$ 123,799,175

Unified School District No. 469, Lansing, Kansas

Regulatory-Required

Supplementary Information

For the year ended June 30, 2020

USD #469 LANSING, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustments to Comply with Legal Max</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
General Funds						
General	\$ 17,165,989	\$ 0	\$ 136,591	\$ 17,302,580	\$ 17,302,580	\$ 0
Supplemental General	5,707,841	0	0	5,707,841	5,707,841	0
Special Purpose Funds						
Vocational Education	508,668	0	0	508,668	450,719	(57,949)
Special Education	6,600,000	0	0	6,600,000	6,599,648	(352)
Driver Training	18,928	0	0	18,928	12,696	(6,232)
Food Service	1,312,563	0	0	1,312,563	1,028,227	(284,336)
Capital Outlay	2,450,493	0	0	2,450,493	1,894,324	(556,169)
Gifts and Grants	6,931	0	0	6,931	0	(6,931)
Parent Education	121,416	0	0	121,416	121,416	0
Professional Development	46,250	0	0	46,250	52,156	5,906
KPERs Special Contribution	2,809,975	0	0	2,809,975	2,660,915	(149,060)
At-Risk Fund (K-12)	1,400,000	0	0	1,400,000	1,400,000	0
At-Risk Fund (4 yr olds)	120,000	0	0	120,000	120,000	0
Bilingual	110,528	0	0	110,528	79,614	(30,914)
Debt Service Funds						
Bond and Interest	4,944,932	0	0	4,944,932	4,944,932	0

USD #469 LANSING, 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>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$		\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax	11		11
Federal grants	17,195	14,000	3,195
State aid/grants	17,148,783	16,896,919	251,864
Charges for services			0
Interest income			0
Miscellaneous revenues	136,591		136,591
Operating transfers			0
	<u>17,302,580</u>	<u>16,910,919</u>	<u>391,661</u>
EXPENDITURES			
Instruction	8,329,145	8,154,289	174,856
Student support services	934,052	755,000	179,052
Instruction support staff	508,932	481,500	27,432
General administration	372,387	520,800	(148,413)
School administration	1,335,548	1,255,900	79,648
Operations and maintenance	16,083	0	16,083
Student transportation services	737,256	805,800	(68,544)
Central support services	77,717	76,300	1,417
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers	4,991,460	5,116,400	(124,940)
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits		136,591	(136,591)
	<u>17,302,580</u>	<u>\$ 17,302,580</u>	<u>\$ 0</u>
Total Expenditures			
	<u>17,302,580</u>	<u>\$ 17,302,580</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	0		
	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

USD #469 LANSING, KANSAS
SUPPLEMENTAL GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	Actual	Budget	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 1,985,556	\$ 2,039,631	\$ (54,075)
Delinquent tax	10,065	26,189	(16,124)
Motor vehicle tax	247,172	213,644	33,528
RV tax	17,037	2,709	14,328
Commercial vehicle tax	945		945
Federal grants			0
State aid/grants	3,501,190	3,501,190	0
Charges for services			0
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
	<u>5,761,965</u>	<u>5,783,363</u>	<u>(21,398)</u>
Total Cash Receipts			
	<u>5,761,965</u>	<u>5,783,363</u>	<u>(21,398)</u>
EXPENDITURES			
Instruction	862,497	920,300	(57,803)
Student support services			0
Instruction support staff	420,771	236,300	184,471
General administration	396,111	353,000	43,111
School administration			0
Operations and maintenance	1,382,909	1,215,241	167,668
Student transportation services			0
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers	2,645,553	2,983,000	(337,447)
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
	<u>5,707,841</u>	<u>\$ 5,707,841</u>	<u>\$ 0</u>
Total Expenditures			
	<u>5,707,841</u>	<u>\$ 5,707,841</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	54,124		
Unencumbered Cash, Beginning	179,922		
Prior Year Cancelled Encumbrances			
	<u>234,046</u>		
Unencumbered Cash, Ending	<u>\$ 234,046</u>		

USD #469 LANSING, KANSAS
 CAREER AND POSTSECONDARY FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$	\$	\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants		2,292	(2,292)
Charges for services			0
Interest income			0
Miscellaneous revenues	8,447	5,000	3,447
Operating transfers	<u>440,897</u>	<u>500,000</u>	<u>(59,103)</u>
Total Cash Receipts	<u>449,344</u>	<u>507,292</u>	<u>(57,948)</u>
EXPENDITURES			
Instruction	442,589	503,168	(60,579)
Student support services			0
Instruction support staff			0
General administration			0
School administration	25		25
Operations and maintenance			0
Student transportation services	8,105	5,500	2,605
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>450,719</u>	<u>\$ 508,668</u>	<u>\$ (57,949)</u>
Receipts Over (Under) Expenditures	(1,375)		
Unencumbered Cash, Beginning	1,375		
Prior Year Cancelled Encumbrances			

Unencumbered Cash, Ending

\$ 0

USD #469 LANSING, 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>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$	\$	\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants	918,041	760,000	158,041
State aid/grants			0
Charges for services			0
Interest income			0
Miscellaneous revenues	37,876	100,000	(62,124)
Operating transfers	<u>5,433,994</u>	<u>5,396,400</u>	<u>37,594</u>
Total Cash Receipts	<u>6,389,911</u>	<u>6,256,400</u>	<u>133,511</u>
EXPENDITURES			
Instruction	4,863,181	5,052,224	(189,043)
Student support services	882,558	797,538	85,020
Instruction support staff	167,138	148,428	18,710
General administration	301,892	242,499	59,393
School administration	33,264	27,275	5,989
Operations and maintenance	151,173	121,130	30,043
Student transportation services	198,330	210,906	(12,576)
Central support services			0
Other support services			0
Food service operations	2,112		2,112
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>6,599,648</u>	<u>\$ 6,600,000</u>	<u>\$ (352)</u>
Receipts Over (Under) Expenditures	(209,737)		
Unencumbered Cash, Beginning	210,089		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>352</u>		

USD #469 LANSING, KANSAS
 DRIVER TRAINING 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>
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$	\$	\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants	5,720	9,750	(4,030)
Charges for services			0
Interest income			0
Miscellaneous revenues	38		38
Operating transfers			0
	<u>5,758</u>	<u>9,750</u>	<u>(3,992)</u>
EXPENDITURES			
Instruction	12,129	18,328	(6,199)
Student support services			0
Instruction support staff			0
General administration			0
School administration			0
Operations and maintenance	567	600	(33)
Student transportation services			0
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
	<u>12,696</u>	<u>\$ 18,928</u>	<u>\$ (6,232)</u>
Total Expenditures	<u>12,696</u>	<u>\$ 18,928</u>	<u>\$ (6,232)</u>
Receipts Over (Under) Expenditures	(6,938)		
Unencumbered Cash, Beginning	9,176		
Prior Year Cancelled Encumbrances			
	<u>2,238</u>		
Unencumbered Cash, Ending	\$		

USD #469 LANSING, KANSAS
 FOOD SERVICE FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$		\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants	470,568	471,776	(1,208)
State aid/grants	12,272	9,814	2,458
Charges for services	490,233	545,057	(54,824)
Interest income			0
Miscellaneous revenues	19,150		19,150
Operating transfers			0
	<u>992,223</u>	<u>1,026,647</u>	<u>(34,424)</u>
EXPENDITURES			
Instruction			0
Student support services			0
Instruction support staff			0
General administration			0
School administration			0
Operations and maintenance	500	22,000	(21,500)
Student transportation services			0
Central support services			0
Other support services			0
Food service operations	1,027,727	1,290,563	(262,836)
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
	<u>1,028,227</u>	<u>\$ 1,312,563</u>	<u>\$ (284,336)</u>
Total Expenditures			
	<u>1,028,227</u>	<u>\$ 1,312,563</u>	<u>\$ (284,336)</u>
Receipts Over (Under) Expenditures	(36,004)		
Unencumbered Cash, Beginning	285,916		
Prior Year Cancelled Encumbrances			
	<u>249,912</u>		
Unencumbered Cash, Ending	\$		

USD #469 LANSING, KANSAS
CAPITAL OUTLAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	Actual	Budget	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 1,103,756	\$ 1,014,882	\$ 88,874
Delinquent tax	5,580	15,933	(10,353)
Motor vehicle tax	129,005	129,983	(978)
RV tax	10,086	1,648	8,438
Commercial vehicle tax	574		574
Federal grants	7,369	30,000	(22,631)
State aid/grants	622,480	625,529	(3,049)
Charges for services			0
Interest income	5,370	2,000	3,370
Miscellaneous revenues	18,040	50,000	(31,960)
Operating transfers	86,824	400,000	(313,176)
Total Cash Receipts	<u>1,989,084</u>	<u>2,269,975</u>	<u>(280,891)</u>
EXPENDITURES			
Instruction	292,695	500,000	(207,305)
Student support services		5,000	(5,000)
Instruction support staff	233,723	15,000	218,723
General administration			0
School administration			0
Operations and maintenance	1,329,839	1,765,718	(435,879)
Student transportation services	38,067		38,067
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services		164,775	(164,775)
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>1,894,324</u>	<u>\$ 2,450,493</u>	<u>\$ (556,169)</u>
Receipts Over (Under) Expenditures	94,760		
Unencumbered Cash, Beginning	196,263		
Prior Year Cancelled Encumbrances			
Unencumbered Cash, Ending	<u>\$ 291,023</u>		

USD #469 LANSING, KANSAS
GIFTS AND GRANTS FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	Actual	Budget	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$	\$	\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants	41,000		41,000
Charges for services			0
Interest income			0
Miscellaneous revenues	5,000		5,000
Operating transfers			0
	<u>46,000</u>	<u>0</u>	<u>46,000</u>
EXPENDITURES			
Instruction		6,931	(6,931)
Student support services			0
Instruction support staff			0
General administration			0
School administration			0
Operations and maintenance			0
Student transportation services			0
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
	<u>0</u>	<u>6,931</u>	<u>(6,931)</u>
Total Expenditures	<u>0</u>	<u>\$ 6,931</u>	<u>\$ (6,931)</u>
Receipts Over (Under) Expenditures	46,000		
Unencumbered Cash, Beginning	6,931		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 52,931</u>		

USD #469 LANSING, KANSAS
PARENT 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>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$	\$	\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants	63,625	65,000	(1,375)
Charges for services			0
Interest income			0
Miscellaneous revenues			0
Operating transfers	<u>42,683</u>	<u>35,000</u>	<u>7,683</u>
Total Cash Receipts	<u>106,308</u>	<u>100,000</u>	<u>6,308</u>
EXPENDITURES			
Instruction			0
Student support services	121,416	121,416	0
Instruction support staff			0
General administration			0
School administration			0
Operations and maintenance			0
Student transportation services			0
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>121,416</u>	<u>\$ 121,416</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(15,108)		
Unencumbered Cash, Beginning	21,416		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 6,308</u>		

USD #469 LANSING, KANSAS
PROFESSIONAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$		\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants	6,876	6,250	626
Charges for services			0
Interest income			0
Miscellaneous revenues			0
Operating transfers	<u>36,598</u>	<u>40,000</u>	<u>(3,402)</u>
Total Cash Receipts	<u>43,474</u>	<u>46,250</u>	<u>(2,776)</u>
EXPENDITURES			
Instruction	23,465		23,465
Student support services	2,140		2,140
Instruction support staff	18,747	46,250	(27,503)
General administration	6,799		6,799
School administration	1,005		1,005
Operations and maintenance			0
Student transportation services			0
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>52,156</u>	<u>\$ 46,250</u>	<u>\$ 5,906</u>
Receipts Over (Under) Expenditures	(8,682)		
Unencumbered Cash, Beginning	8,682		
Prior Year Cancelled Encumbrances			
Unencumbered Cash, Ending	<u>\$ 0</u>		

USD #469 LANSING, KANSAS
 KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	Actual	Budget	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$		\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants	2,660,915	2,809,975	(149,060)
Charges for services			0
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
	<u>2,660,915</u>	<u>2,809,975</u>	<u>(149,060)</u>
Total Cash Receipts			
	<u>2,660,915</u>	<u>2,809,975</u>	<u>(149,060)</u>
EXPENDITURES			
Instruction	2,660,915	2,451,240	209,675
Student support services		44,700	(44,700)
Instruction support staff		30,375	(30,375)
General administration		22,200	(22,200)
School administration		163,720	(163,720)
Operations and maintenance		43,500	(43,500)
Student transportation services		26,400	(26,400)
Central support services		3,840	(3,840)
Other support services			0
Food service operations		24,000	(24,000)
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
	<u>2,660,915</u>	<u>2,809,975</u>	<u>(149,060)</u>
Total Expenditures			
	<u>2,660,915</u>	<u>\$ 2,809,975</u>	<u>\$ (149,060)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	0		
	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

USD #469 LANSING, 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>	<u>Variance- Over (Under)</u>
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$		\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants			0
Charges for services			0
Interest income			0
Miscellaneous revenues	80		80
Operating transfers	<u>76,006</u>	<u>107,000</u>	<u>(30,994)</u>
Total Cash Receipts	<u>76,086</u>	<u>107,000</u>	<u>(30,914)</u>
EXPENDITURES			
Instruction	79,614	110,528	(30,914)
Student support services			0
Instruction support staff			0
General administration			0
School administration			0
Operations and maintenance			0
Student transportation services			0
Community support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>\$ 79,614</u>	<u>110,528</u>	<u>\$ (30,914)</u>
Receipts Over (Under) Expenditures	(3,528)		
Unencumbered Cash, Beginning	3,528		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>		

USD #469 LANSING, KANSAS
 AT RISK FUND (K-12)
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$		\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants			0
Charges for services			0
Interest income			0
Miscellaneous revenues	1,800		1,800
Operating transfers	<u>1,400,000</u>	<u>1,501,000</u>	<u>(101,000)</u>
Total Cash Receipts	<u>1,401,800</u>	<u>1,501,000</u>	<u>(99,200)</u>
EXPENDITURES			
Instruction	1,396,876	1,400,000	(3,124)
Student support services			0
Instruction support staff	3,124		3,124
General administration			0
School administration			0
Operations and maintenance			0
Student transportation services			0
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>1,400,000</u>	<u>\$ 1,400,000</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	1,800		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,800</u>		

USD #469 LANSING, KANSAS
 AT RISK FUND (4 YR OLDS)
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$		\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
Mineral production tax			0
Federal grants			0
State aid/grants			0
Charges for services			0
Interest income			0
Miscellaneous revenues	33,946		33,946
Operating transfers	<u>120,000</u>	<u>120,000</u>	<u>0</u>
Total Cash Receipts	<u>153,946</u>	<u>120,000</u>	<u>33,946</u>
EXPENDITURES			
Instruction	71,028	120,000	(48,972)
Student support services			0
Instruction support staff			0
General administration			0
School administration			0
Operations and maintenance	132		132
Student transportation services	48,840		48,840
Central support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service			0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
Total Expenditures	<u>120,000</u>	<u>\$ 120,000</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	33,946		
Unencumbered Cash, Beginning	0		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 33,946</u>		

USD #469 LANSING, KANSAS
 BOND AND INTEREST 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>
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 2,114,308	\$ 1,948,621	\$ 165,687
Delinquent tax	11,338	32,980	(21,642)
Motor vehicle tax	234,864	269,079	(34,215)
RV tax	20,442	3,412	17,030
Commercial vehicle tax			0
Federal grants			0
State aid/grants	2,769,161	2,769,161	0
Charges for services			0
Interest income	3,804		3,804
Miscellaneous revenues			0
Operating transfers			0
	<u>5,153,917</u>	<u>5,023,253</u>	<u>130,664</u>
Total Cash Receipts			
EXPENDITURES			
Instruction			0
Student support services			0
Instruction support staff			0
General administration			0
School administration			0
Operations and maintenance			0
Student transportation services			0
Community support services			0
Other support services			0
Food service operations			0
Student activities			0
Facility acquisition and construction services			0
Debt service	4,944,932	4,944,932	0
Operating transfers			0
Adjustment to comply with legal max			0
Adjustment for qualifying budget credits			0
	<u>4,944,932</u>	<u>\$ 4,944,932</u>	<u>\$ 0</u>
Total Expenditures			
Receipts Over (Under) Expenditures	208,985		
Unencumbered Cash, Beginning	3,545,838		
Prior Year Cancelled Encumbrances			
	<u>\$ 3,754,823</u>		
Unencumbered Cash, Ending	\$ 3,754,823		

USD #469 LANSING, KANSAS
 ANY NONBUDGETED FUNDS
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>Textbook</u>	<u>Contingency Reserve</u>	<u>Title I</u>
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$	\$	\$
Delinquent tax			
Motor vehicle tax			
RV tax			
Mineral production tax			
Federal grants			177,073
State aid/grants			
Charges for services			
Interest income			
Miscellaneous revenues	15,092	0	
Operating transfers			
	<u>15,092</u>	<u>0</u>	<u>177,073</u>
Total Cash Receipts			
	<u>15,092</u>	<u>0</u>	<u>177,073</u>
EXPENDITURES			
Instruction			177,073
Student support services			
Instruction support staff			
General administration			
School administration			
Operations and maintenance			
Student transportation services			
Central support services			
Other support services			
Food service operations			
Student activities			
Facility acquisition and construction services			
Debt service			
Operating transfers			
Adjustment for qualifying budget credits			
	<u>0</u>	<u>0</u>	<u>177,073</u>
Total Expenditures			
	<u>0</u>	<u>0</u>	<u>177,073</u>
Receipts Over (Under) Expenditures	15,092	0	0
Unencumbered Cash, Beginning	0	97,076	0
Prior Year Cancelled Encumbrances	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	\$ <u>15,092</u>	\$ <u>97,076</u>	\$ <u>0</u>

USD #469 LANSING, KANSAS
 ANY NONBUDGETED FUNDS
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2020

	<u>Grant and LEF</u>	<u>Special Assessment</u>	<u>Title IIA</u>	<u>Title IV</u>
CASH RECEIPTS				
Taxes and Shared Revenue				
Ad valorem property tax	\$	\$ 151,718	\$	\$
Delinquent tax		881		
Motor vehicle tax		19,244		
RV tax		1,550		
Commercial vehicle tax				
Federal grants			42,260	16,745
State aid/grants				
Charges for services				
Interest income				
Miscellaneous revenues	26,883			
Operating transfers				
	<u>26,883</u>	<u>173,393</u>	<u>42,260</u>	<u>16,745</u>
Total Cash Receipts	<u>26,883</u>	<u>173,393</u>	<u>42,260</u>	<u>16,745</u>
EXPENDITURES				
Instruction			42,260	16,745
Student support services				
Instruction support staff				
General administration				
School administration				
Operations and maintenance				
Student transportation services				
Central support services				
Other support services	28,058			
Food service operations				
Student activities				
Facility acquisition and construction services				
Debt service		168,977		
Operating transfers				
Adjustment for qualifying budget credits				
	<u>28,058</u>	<u>168,977</u>	<u>42,260</u>	<u>16,745</u>
Total Expenditures	<u>28,058</u>	<u>168,977</u>	<u>42,260</u>	<u>16,745</u>
Receipts Over (Under) Expenditures	(1,175)	4,416	0	0
Unencumbered Cash, Beginning	1,179	165,122	0	0
Prior Year Cancelled Encumbrances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	\$ <u>4</u>	\$ <u>169,538</u>	\$ <u>0</u>	\$ <u>0</u>

USD #469 LANSING, KANSAS
 AGENCY FUNDS
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended June 30, 2020

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Student activity funds:				
Lansing High School - Club & Participation				
Football	\$ 2,226	\$ 31,988	\$ 31,120	\$ 3,094
Volleyball	5,064	13,392	18,204	252
Cross Country	-	9	(91)	100
Soccer - Boys	-	2,864	2,814	50
Tennis - Girls	-	71	71	-
Basketball - Boys	2,583	16,222	16,640	2,165
Basketball - Girls	675	7,128	7,488	315
Bowling	119	954	955	118
Swimming - Boys	1,300	2,824	2,111	2,013
Wrestling	2,678	5,830	6,905	1,603
Baseball	1,182	7,245	6,313	2,114
Golf	-	700	700	-
Soccer - Girls	3,175	315	752	2,738
Softball	1,676	2,195	(265)	4,136
Swimming - Girls	6,762	7,188	4,055	9,895
Sea Lions	5,065	8,801	1,510	12,356
Tennis - Boys	433	2,132	171	2,394
Track & Field	83	4,561	3,147	1,497
FCA	4	-	-	4
Powerlifting	3,678	7,988	7,255	4,411
Art	1,289	-	-	1,289
Band	5,189	481	(56,849)	62,519
Boosters - Band	24,043	20,274	13,564	30,753
Cheerleaders	8,118	20,102	23,311	4,909
DECA	3,501	13,640	17,141	-
DECA Nationals	-	-	-	-
Drama	109	8,091	(896)	9,096
French Club	532	255	383	404
In House Training	410	600	617	393
Kayettes	908	983	1,891	-
KAYS	1,546	344	196	1,694
Lionettes	2,888	8,775	11,308	355
Math Club	1,565	1,000	1,057	1,508
Music Theatre	2,238	9,072	2,540	8,770
National Art Honor Society	1,143.00	-	-	1,143.00
National Forensics League	2,005	13,268	9,798	5,475
National Honor Society	979	791	143	1,627
Pen paw Club	609	560	615	554
Science Club	1,355	-	-	1,355
Tri-M Music Honor Society	9	-	-	9
Vocal music	5,412	-	(2,872)	8,284
Leadership	7,863	6,363	8,171	6,055
Scholar Bowl	73	525	460	138
Culinary Arts	738	-	-	738
Donations	-	877	282	595
Positive Committee	-	80	-	80
Spanish Honor Society	340	-	84	256
Helping Hands	3,452	729	1,645	2,536
Subtotal Lansing High School	<u>113,017</u>	<u>229,217</u>	<u>142,444</u>	<u>199,790</u>

USD #469 LANSING, KANSAS
DISTRICT ACTIVITY FUNDS
Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2020

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts							
High School activity fund							
Athletics	\$ -		\$ -	\$ -	\$ -		\$ -
District activity	-		1,377	(4,317)	5,694		5,694
Total High School activity fund	0	0	1,377	(4,317)	5,694	0	5,694
Middle School activity fund							
Athletics	149		-	-	149		149
District activity	0		30,775	0	30,775		30,775
Total Middle School activity fund	149	0	30,775	0	30,924	0	30,924
Subtotal Gate Receipts	149	0	32,152	(4,317)	36,618	0	36,618
School Projects							
Lansing High School							
Admin Accounts	13,353		48,340	35,379	26,314		26,314
Culinary Arts	1,647		53	(750)	2,450		2,450
Yearbook	22,920		30	(2,759)	25,709		25,709
Students	1,961		1,090	1,194	1,857		1,857
Other	1,891		2,879	2,840	1,930		1,930
IT	1,185		-	(254)	1,439		1,439
Newspaper	235		-	(9)	244		244
Social Work	487		4	(548)	1,039		1,039
Guidance	4,437		11,280	10,794	4,923		4,923
Site Council	241		-	-	241		241
Student Adv Team	-		500	59	441		441
FACS	923		-	287	636		636
Video Production	3,149		500	-	3,649		3,649
Vehicle Registration	2,589		830	(260)	3,679		3,679
Autism	1,985		-	-	1,985		1,985
Special Olympics	864		-	-	864		864
Autism Lion Indust	668		363	201	830		830
Class of 2018	6,585		-	6,585	-		-
Class of 2019	2,647		-	2,647	-		-
Class of 2020	7,025		844	(7,124)	14,993		14,993
Class of 2021	2,387		656	738	2,305		2,305
Class of 2022	-		3,198	960	2,238		2,238
Class of 2023	-		70	-	70		70
Lansing Middle School							
Admin Accounts	1,298		21,455	20,436	2,317		2,317
Yearbook	6,923		713	316	7,320		7,320
Fundraising	15,007		59,084	39,511	34,580		34,580
Staff	1,991		-	761	1,230		1,230
Students	-		-	-	-		-
Autism	2,692		2,774	990	4,476		4,476
Lansing Intermediate School							
Admin Accounts	1,488		38	295	1,231		1,231
4th Grade Field Trip	420		10,047	7,836	2,631		2,631
5th Grade Field Trip	-		-	-	-		-
Lansing Elementary School							
Admin Accounts	3,797		14,547	14,949	3,395		3,395
Field trips	9,616		27,220	24,847	11,989		11,989
Subtotal School Projects	120,411	-	206,515	159,921	167,005	-	167,005
Total District Activity Funds	\$ 120,560	\$ 0	\$ 238,667	\$ 155,604	\$ 203,623	\$ 0	\$ 203,623

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Karlin & Long, LLC
Certified Public Accountants

Board of Education
Unified School District No. 469
Lansing, Kansas 66043

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units of Unified School District No. 469 as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Unified School District No. 469's basic financial statement, and have issued our report thereon dated March 1, 2021.

The report on the audited financial statement was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unmodified as presented on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District No. 469, Lansing, Kansas' 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 statements, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 469, Lansing, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 469, Lansing, Kansas' 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the organization's financial statements 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.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 Unified School District No. 469'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 statements 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*.

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 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.

Karlin & Long, LLC

Karlin & Long, LLC
Certified Public Accountants

March 1, 2021

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Karlin & Long, LLC
Certified Public Accountants

Board of Education
Unified School District No. 469
Lansing, Kansas 66043

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

Report on Compliance for Each Major Federal Program

We have audited United School District No. 469's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the United School District No. 469's major federal programs for the year ended June 30, 2020. United School District No. 469'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the United School District No. 469'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 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 a major federal program occurred. An audit includes examining, on a test basis, evidence about the United School District No. 469'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 United School District No. 469's compliance.

Opinion on Each Major Federal Program

In our opinion, the United School District No. 469, 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.

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Report on Internal Control over Compliance

Management of the United School District No. 469, 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 United School District No. 469'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 with 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 United School District No. 469's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Karlin & Long, LLC

Karlin & Long, LLC
Certified Public Accountants

March 1, 2021

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2019

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass- Through Grantor Number	Federal Expenditures
<u>U.S. Department of Education</u>			
Passed through State Department of Education:			
Title I	84.010A	*	\$ 177,073
EHC Flo-Thru	84.027A	*	485,767
EC Flo-Thru	84.173A	*	20,585
Title II - Teacher Quality	84.367A	*	42,260
ESSA Student Support	84.424A	*	16,745
Department of Education Cluster			<u>742,430</u>
<u>U.S. Department of Agriculture</u>			
Passed through State Department of Education:			
School Breakfast	10.553	*	84,913
National School Lunch Program	10.555	*	362,249
Food	10.559	*	23,407
Department of Agriculture Cluster			<u>470,569</u>
<u>Other Federal Assistance</u>			
Direct Program:			
P.L. 382, Impact Aid	84.041	*	29,521
Youth Risk Behavior	93.938	*	200
Early Learning Kansas	93.558	*	16,973
Total Federal Assistance			<u>\$ 1,259,693</u>

* Not available

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

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2020

A. Summary of Audit Results

1. The auditor's report expresses an Adverse Opinion on the financial statements of Unified School District #469 in accordance with Generally Accepted Accounting Principles. The auditor's report expresses an Unmodified Opinion on the financial statements in accordance with the regulatory basis.
2. No significant deficiencies relating to the audit of the general purpose financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statement of Unified District #469 were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit that would be required to be reported in the Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal award programs for Unified School District #409 expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance.
7. The programs tested as major programs included:
Department of Education
Child Nutrition Cluster CFDA No. 10.553 and CFDA No. 10.555 and Special Education Fund CFDA 84.027A
8. Unified School District #469 was determined not to be a low-risk auditee.
9. The threshold for distinguishing types A and B programs was \$750,000.

B. Findings – Financial Statement Audit
None

C. Findings and Questioned Costs – Major Federal Awards Programs Audit
Department of Education
Child Nutrition Cluster CFDA 10.553 and CFDA 10.555 and Special Education Fund CFDA 84.027A

No findings of noncompliance or questioned costs were noted.

UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2020

NOTE 1 – Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District No. 469 Lansing, Kansas and is presented on the statutory basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Statutory Basis of Accounting – The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

Unified School District No. 469 has obtained a waiver from generally accepted accounting principles which allows the district to revert to statutory basis of accounting.

Departure from Generally Accepted Accounting Principles – The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and mature principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles.

LANSING UNIFIED SCHOOL DISTRICT NO. 469
Lansing, Kansas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2020

NOTE 1 – Basis of Accounting (continued)

Departure from Generally Accepted Account Principles (ctd.) - General fixed assets that account for the land, buildings, and equipment owned by the district are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

NOTE 2 – Pass-Through Awards

Unified School District No. 469 receives certain federal awards in the form of pass-through awards from the State of Kansas. Such amounts received as pass-through awards are specifically identified on the Schedule of Expenditures of Federal Awards.

NOTE 3 – Major Programs

In accordance with Uniform Guidance, major programs are determined using a risk-based approach. The Food Service Cluster and the Special Education Fund have been determined by the independent auditor to be major programs.

NOTE 4 – Contingencies

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

NOTE 5 – Indirect Costs

Unified School District No 469 has elected not to use the 10 percent de minimis indirect cost rate allowed under uniform guidance.