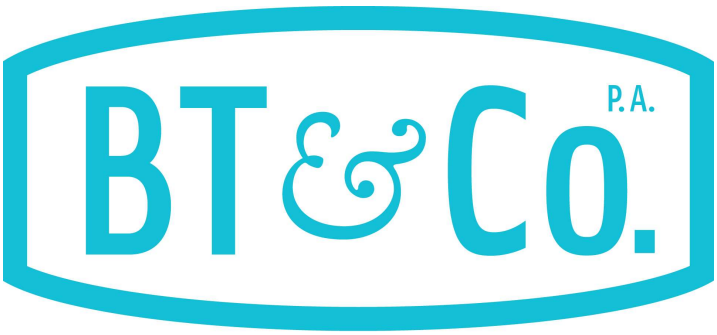

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
YEAR ENDED JUNE 30, 2022

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS
Year Ended June 30, 2022

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FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS
Year Ended June 30, 2022

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BT & Co. P.A.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Fort Leavenworth Unified School District No. 207, Fort Leavenworth, Kansas (the District), as of and for the year ended June 30, 2022 and the related notes to the financial statement.

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 and Unmodified Opinions section of our report, the accompanying 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 District as of June 30, 2022, 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 accompanying 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, 2022, 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 2.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 2 of the financial statement, the financial statement is prepared by the District 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 2 and the accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Responsibilities of Management 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 2; 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.

In preparing the financial statement, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 (basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purposes of additional analysis and are not a required part of the basic financial statement. Such information is the responsibility

of management and was derived from and relates to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures used to prepare the basic financial statement and certain additional procedures including comparing and reconciling such information directly 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 accompanying supplementary 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 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the District's 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.

BT&Co., P.A.

January 17, 2023
Topeka, Kansas

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2022

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General fund	$ 200	$ -	$ 9,631,394	$ 9,631,594	$ -	$ 495,073	$ 495,073
Supplemental general	1,078	-	3,223,274	3,222,757	1,595	169,013	170,608
Special purpose:							
Capital outlay	(990,345)	-	23,732,416	22,560,519	181,552	(2,340)	179,212
Food service	130,104	-	1,087,926	696,171	521,859	24,516	546,375
Special education	858,567	-	2,222,769	2,546,734	534,602	157,690	692,292
At-risk	453,089	-	309,336	346,475	415,950	33,809	449,759
Professional development	561,621	-	161,850	262,067	461,404	10,941	472,345
Kansas parent education	-	-	40,000	40,000	-	-	-
KPERS special retirement contribution	-	-	1,805,643	1,805,643	-	-	-
Federal grant funds (budgeted)	532,180	-	1,617,937	1,638,303	511,814	28,213	540,027
Bilingual education	196,124	-	351,148	234,552	312,720	30,468	343,188
Textbook	689,885	-	-	62,115	627,770	-	627,770
District Café	3,133	-	11,300	10,679	3,754	-	3,754
Contingency reserve	520,522	-	492,898	328,780	684,640	(2,558)	682,082
Colonel Griswold Endowment	32,266	-	35,690	18,406	49,550	-	49,550
Impact Aid 7003	813,431	-	500,000	1,079,372	234,059	17,737	251,796
District activity funds	30,263	-	32,826	37,956	25,133	-	25,133
Total reporting entity (excluding agency funds)	$ 3,832,118	$ -	$ 45,256,407	$44,522,123	$ 4,566,402	$ 962,562	$ 5,528,964

Checking account	$ 724,865
Petty cash funds	303
Municipal investment pool	924,696
Money market account	3,853,967
Activity funds - checking accounts	31,953
Total cash	5,535,784
Agency funds per Schedule 3	(6,820)
Total reporting entity (excluding agency funds)	$ 5,528,964

See accompanying notes to financial statement.

1 - Municipal Financial Reporting Entity

Fort Leavenworth Unified School District No. 207 (the District) is a municipal corporation governed by a three-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Fund Descriptions

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 regulatory basis fund types comprise the financial activities of the District for the year ended June 30, 2022:

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

(b) 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 for application of accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

(c) Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, supplemental general fund and special purpose funds (unless specifically exempted by statute). 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 on or before August 5th of the proposed budget and notice of public hearing on the budget.
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.

If the District is holding a revenue neutral hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. Since the District's budget was revenue neutral, the District was not required to hold a revenue neutral rate hearing for this year.

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. There were no budget amendments for the District for the fiscal year ended June 30, 2022.

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 budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal 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 budgeted expenditure authority lapses at year-end.

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

Textbook, District Café, Contingency Reserve, Colonel Griswold Endowment, Impact Aid 7003, and District Activity Funds

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.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

(d) Chargeable Leave Benefits

All employees accrue chargeable leave at the rate of 13 days per year, accumulating to a maximum of 100 days. Other employees accrue leave based on the position occupied and contract days. Vacation is accumulated at the rate of 10 to 15 days per year depending upon the employee's length of service and classification. Benefits are prorated for part-time employees.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase.

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

3 - Deposits and Investments

At June 30, 2022, the District had the following investments and maturities:

Investment Type	Fair Value	Maturity	Rating
Kansas Municipal Investment Pool	$ 924,696	Less than a year	N/A

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, 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 risk.

K.S.A. 12-1675 limits the District's investment 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.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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. The District's allocation of investments as of June 30, 2022, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. 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. All deposits were legally secured at June 30, 2022.

At June 30, 2022, the District's carrying amount of deposits was $ 4,610,785 and the bank balance was $ 5,587,075. Of the bank balance, $ 250,000 was covered by federal depository insurance, and the remaining $ 5,337,075 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 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.

At June 30, 2022, the District had invested $ 924,696 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.

4 - In-Substance Receipt in Transit

The District received $ 444,038 subsequent to June 30, 2022 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, 2022.

5 - Long-Term Debt

On September 30, 2020, the District issued a lease purchase agreement dated September 3, 2020 with Armed Forces Bank for an amount not to exceed $ 25,600,000 for land and improvements related to the construction of a new Patton Junior High School (the Project).

Quarterly on each March 30, June 30, September 30, and December 30 during the lease term, commencing on December 30, 2020, rental payments are due in amounts equal to the interest accrued at a 5.60% interest rate on the aggregate principal advanced and outstanding for the Project.

Annually on each June 30 during the lease term, principal will be due in the amount of $ 4,000,000, commencing on June 30, 2023. All remaining principal, interest and other amounts outstanding under the lease will be due on the final payment date.

Changes in long-term liabilities for the District for the year ended June 30, 2022 were as follows:

Issue	Interest Rate	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Capital lease - Patton Junior High School	5.60%	9/3/2020	$ 25,600,000	6/30/2029	$ 8,381,277	$ 15,673,569	$ -	$ 24,054,846	$ 911,050

The project is complete and the District does not plan any further draws. Payments on principal and interest will be as discussed on Page 9.

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 Annual Comprehensive Financial Report which can be found on the KPERS website at 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 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33% for the fiscal year ended June 30, 2022.

Senate Substitute for House Bill 2052 authorized the delay of $ 64.1 million in fiscal year 2017 contributions. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $ 6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $ 194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of $ 19.4 million starting in fiscal year 2020.

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the 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. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $ 115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $ 51 million.

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 $ 1,962,855 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $ 14,696,144. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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 or can be obtained as described above.

7 - Tax Sheltered Annuity and Deferred Compensation Plans

The District participates in a 403(b) tax sheltered annuity plan and a 457(b) deferred compensation plan (the Plans). Employees who are at least 18 years of age and work 630 hours or more annually are eligible to participate in the Plans. There are employee voluntary contributions and rollover contributions allowed under the Plans. Distributions are made upon retirement.

8 - Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level 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 District 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.

9 - 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, 2022.

10 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2022. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General fund	At-Risk fund	K.S.A. 72-5167	$ 7,059
Supplemental general fund	At-Risk fund	K.S.A. 72-5143	102,277
Supplemental general fund	Professional Development	K.S.A. 72-5143	91,850
General fund	Special Education	K.S.A. 72-5167	1,100,297
Supplemental general fund	Bilingual	K.S.A. 72-5143	71,148
General fund	Contingency Reserve	K.S.A. 72-5167	492,898

11 - 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; injuries to employees; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

12 - 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 at June 30, 2022.

13 - Stewardship, Compliance and Accountability

The District exceeded its budgetary authority in the Food Service and Bilingual Education Funds by $ 71 and $ 67,052, respectively, as a result of spending additional federal dollars received. The District exceeded its budgetary authority in the Federal Grants Fund by $ 114,982 due to spending monies in advance of federal reimbursements.

SUPPLEMENTARY INFORMATION

Schedule 1

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2022

FUNDS	Certified Budget	Adjustment to Comply with Legal Max	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental type funds:					
General fund	$ 10,152,651	$ (521,057)	$ 9,631,594	$ 9,631,594	$ -
Supplemental general	3,279,450	(56,693)	3,222,757	3,222,757	-
Special purpose:					
Capital outlay	30,300,000	-	30,300,000	22,560,519	(7,739,481)
Food service	696,100	-	696,100	696,171	71
Special education	2,745,500	-	2,745,500	2,546,734	(198,766)
At-Risk	392,900	-	392,900	346,475	(46,425)
Professional development	314,850	-	314,850	262,067	(52,783)
Kansas parent education	40,000	-	40,000	40,000	-
KPERS special retirement contribution	2,046,157	-	2,046,157	1,805,643	(240,514)
Virtual education	128,400	-	128,400	-	(128,400)
Federal grant funds (budgeted)	1,523,321	-	1,523,321	1,638,303	114,982
Bilingual education	167,500	-	167,500	234,552	67,052
Totals	$ 51,786,829	$ (577,750)	$ 51,209,079	$ 42,984,815	

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
General state aid	$ 2,818,766	$ 3,060,085	$ 241,319
Special education state aid	1,333,885	1,100,297	(233,588)
Federal aid	6,000,000	5,471,012	(528,988)
Total cash receipts	$ 10,152,651	9,631,394	$ (521,257)
Expenditures, encumbrances and transfers:			
Instruction	$ 5,521,480	5,047,932	$ (473,548)
Student support services	504,300	491,362	(12,938)
Instructional support services	14,800	255	(14,545)
General administration	720,690	721,427	737
School administration	595,910	547,385	(48,525)
Central Services	528,060	552,519	24,459
Operations and maintenance	556,650	670,460	113,810
Transfers to other funds	1,596,761	1,600,254	3,493
Other support services	64,000	-	(64,000)
Architectural and engineering	50,000	-	(50,000)
Budget adjustment to comply with legal maximum	(521,057)		521,057
Total expenditures, encumbrances and transfers	$ 9,631,594	9,631,594	$ -
Cash receipts under expenditures, encumbrances and transfers		(200)	
Unencumbered cash, beginning		200	
Unencumbered cash, ending		$ -	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Taxes	$ 26,411	$ 29,200	$ 2,789
Supplemental state aid	3,250,263	3,194,074	(56,189)
Total cash receipts	$ 3,276,674	3,223,274	$ (53,400)
Expenditures, encumbrances and transfers:			
Instruction	$ 2,613,000	2,566,755	$ (46,245)
Instructional support services	220,500	219,176	(1,324)
General administration	107,247	71,175	(36,072)
Other supplemental services	100,500	100,376	(124)
Transfers to other funds	166,823	265,275	98,452
Architectural and engineering	71,380	-	(71,380)
Budget adjustment to comply with legal maximum	(56,693)		56,693
Total expenditures, encumbrances and transfers	$ 3,222,757	3,222,757	$ -
Cash receipts over expenditures, encumbrances and transfers		517	
Unencumbered cash, beginning		1,078	
Unencumbered cash, ending		$ 1,595	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Taxes	$ 10,558	$ 9,911	$ (647)
Federal aid	10,500,000	7,936,069	(2,563,931)
Capital outlay state aid	6,914	6,892	(22)
Interest	75,000	20,765	(54,235)
Local revenue	21,545,000	15,758,779	(5,786,221)
Total cash receipts	$ 32,137,472	23,732,416	$ (8,405,056)
Expenditures and encumbrances:			
Instruction	$ 111,000	225,047	$ 114,047
Student support services	546,000	818,603	272,603
Instructional support services	110,100	108,333	(1,767)
General administration	125,000	111,183	(13,817)
Operations and maintenance	1,647,900	1,012,023	(635,877)
Other support services	50,000	451	(49,549)
Interest expense	1,000,000	911,050	(88,950)
Architectural and engineering services	700,000	419,036	(280,964)
New building acquisition and construction	25,000,000	18,350,498	(6,649,502)
Site improvement	1,010,000	604,295	(405,705)
Total expenditures and encumbrances	$ 30,300,000	22,560,519	$ (7,739,481)
Cash receipts over expenditures and encumbrances		1,171,897	
Unencumbered cash, beginning		(990,345)	
Unencumbered cash, ending		$ 181,552	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
School lunches:			
Students	$ 20,800	$ 5,829	$ (14,971)
Nonreimburseable	-	313	313
Federal aid	748,515	1,061,962	313,447
State aid	6,080	7,555	1,475
Other revenue	-	12,267	12,267
Total cash receipts and transfers	$ 775,395	1,087,926	$ 312,531
Expenditures and encumbrances:			
Food service operation	$ 696,100	696,171	$ 71
Cash receipts and transfers over expenditures and encumbrances		391,755	
Unencumbered cash, beginning		130,104	
Unencumbered cash, ending		$ 521,859	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	$ 1,088,661	$ 1,100,281	$ 11,620
Medicaid	20,000	22,191	2,191
Transfers from general fund	1,333,885	1,100,297	(233,588)
Total cash receipts and transfers	$ 2,442,546	2,222,769	$ (219,777)
Expenditures and encumbrances:			
Instruction	$ 2,225,000	2,061,690	$ (163,310)
Instructional support staff	9,000	4,251	(4,749)
General administration	294,000	226,972	(67,028)
Other support services	92,000	88,103	(3,897)
Transportation	125,500	165,718	40,218
Total expenditures and encumbrances	$ 2,745,500	2,546,734	$ (198,766)
Cash receipts and transfers under expenditures and encumbrances		(323,965)	
Unencumbered cash, beginning		858,567	
Unencumbered cash, ending		$ 534,602	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
AT-RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Transfer from general fund	$ 125,180	$ 7,059	$ (118,121)
Transfer from supplemental general fund	41,351	102,277	60,926
Federal aid	200,000	200,000	-
Total cash receipts and transfers	$ 366,531	309,336	$ (57,195)
Expenditures and encumbrances:			
Instruction	$ 377,600	331,792	$ (45,808)
School administration	15,300	14,683	(617)
Total expenditures and encumbrances	$ 392,900	346,475	$ (46,425)
Cash receipts and transfers under expenditures and encumbrances		(37,139)	
Unencumbered cash, beginning		453,089	
Unencumbered cash, ending		$ 415,950	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	$ 300,000	$ 70,000	$ (230,000)
Transfers from supplemental general fund	100,000	91,850	(8,150)
Total cash receipts and transfers	$ 400,000	161,850	$ (238,150)
Expenditures and encumbrances:			
Instructional support services	$ 314,850	262,067	$ (52,783)
Total expenditures and encumbrances	$ 314,850	262,067	$ (52,783)
Cash receipts and transfers under expenditures and encumbrances		(100,217)	
Unencumbered cash, beginning		561,621	
Unencumbered cash, ending		$ 461,404	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
KANSAS PARENT EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Federal aid	$ 40,000	$ 40,000	$ -
Expenditures:			
Student support services	$ 40,000	40,000	$ -
Cash receipts over expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ -	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
KPERS state aid	$ 2,046,157	$ 1,805,643	$ (240,514)
Expenditures:			
Instruction	$ 1,487,352	1,368,676	$ (118,676)
Student support services	63,635	-	(63,635)
Instructional support services	75,708	66,809	(8,899)
General administration	69,979	61,753	(8,226)
School administration	89,826	79,268	(10,558)
Other support services	72,843	64,281	(8,562)
Operations and maintenance	102,103	90,102	(12,001)
Transportation	35,808	31,599	(4,209)
Food service	48,903	43,155	(5,748)
Total expenditures	$ 2,046,157	1,805,643	$ (240,514)
Cash receipts under expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ -	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
VIRTUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Miscellaneous	$ 128,400	$ -	$ (128,400)
Expenditures:			
Payment to virtual education co-op	$ 128,400	-	$ (128,400)
Cash receipts over expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ -	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
FEDERAL GRANT FUNDS (BUDGETED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Title II-A Teacher Quality	Title I	Section 7007 Construction	TIP Grant	Project Lead the Way	Project PRIME	Project LEADSS	Project ARMIES	Project READ	NG3D Grant	Transportation and Maintenance	ESSER	Total Actual	Total Budget	Variance - Over (Under)
Cash receipts:															
Federal aid	$ 31,928	$ 39,753	$ 38,423	$ 15,371	$ 137,929	$ -	$ -	$ 463,726	$ 157,678	$ -	$ 337,413	$ 382,381	$ 1,604,602	$ 2,756,359	$ (1,151,757)
Other	-	-	-	-	-	-	-	-	-	7,000	6,335	-	13,335	-	13,335
Total cash receipts	31,928	39,753	38,423	15,371	137,929	-	-	463,726	157,678	7,000	343,748	382,381	1,617,937	$ 2,756,359	$ (1,138,422)
Expenditures and encumbrances:															
Instruction	31,928	40,370	-	10,184	40,818	-	-	172	87,146	-	-	152,945	363,563	$ 661,871	$ (298,308)
Instructional support staff	-	-	-	6,249	99,433	-	-	478,697	30,607	-	-	14,947	629,933	303,600	326,333
Central services	-	-	-	-	-	-	-	-	-	-	-	-	-	53,750	(53,750)
Operations and maintenance	-	-	-	-	-	-	-	-	-	-	116,489	218,296	334,785	211,100	123,685
Architectural services	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	(25,000)
Student transportation services	-	-	-	-	-	-	-	-	-	-	310,022	-	310,022	268,000	42,022
Total expenditures and encumbrances	31,928	40,370	-	16,433	140,251	-	-	478,869	117,753	-	426,511	386,188	1,638,303	$ 1,523,321	$ 114,982
Cash receipts over (under) expenditures and encumbrances	-	(617)	38,423	(1,062)	(2,322)	-	-	(15,143)	39,925	7,000	(82,763)	(3,807)	(20,366)		
Unencumbered cash, beginning	-	(1,195)	2,144	-	(33,295)	(28)	(76)	-	(40,014)	1,962	602,682	602,682	532,180		
Unencumbered cash, ending	$ -	$ (1,812)	$ 40,567	$ (1,062)	$ (35,617)	$ (28)	$ (76)	$ (15,143)	$ (89)	$ 8,962	$ 519,919	$ 598,875	$ 511,814		

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	$ 60,000	$ 280,000	$ 220,000
Transfers from supplemental general fund	25,472	71,148	45,676
Total cash receipts and transfers	$ 85,472	351,148	$ 265,676
Expenditures and encumbrances:			
Instruction	$ 167,500	234,552	$ 67,052
Cash receipts and transfers over expenditures and encumbrances		116,596	
Unencumbered cash, beginning		196,124	
Unencumbered cash, ending		$ 312,720	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
TEXTBOOK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

Cash receipts	$	-
Expenditures:		
Instruction		62,115
Cash receipts under expenditures		(62,115)
Unencumbered cash, beginning		689,885
Unencumbered cash, ending	$	627,770

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
DISTRICT CAFÉ FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

Cash receipts:		
Fees	$	11,300
Expenditures:		
Vending expenses		10,679
Cash receipts over expenditures		621
Unencumbered cash, beginning		3,133
Unencumbered cash, ending	$	3,754

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

Transfers:		
Transfer from general fund	$	492,898
Expenditures and encumbrances:		
School administration		328,780
Transfers over expenditures and encumbrances		164,118
Unencumbered cash, beginning		520,522
Unencumbered cash, ending	$	684,640

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
COLONEL GRISWOLD ENDOWMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

Cash receipts	$	35,690
Expenditures		18,406
Cash receipts over expenditures		17,284
Unencumbered cash, beginning		32,266
Unencumbered cash, ending	$	49,550

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
IMPACT AID 7003 FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2022

Cash receipts:		
Federal aid	$	500,000
Expenditures and encumbrances:		
Instruction		854,020
Instructional support staff		184,006
Other support services		41,346
Total expenditures and encumbrances		1,079,372
Cash receipts under expenditures and encumbrances		(579,372)
Unencumbered cash, beginning		813,431
Unencumbered cash, ending	$	234,059

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
STUDENT ORGANIZATION FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
Year Ended June 30, 2022

	Balance July 1	Cash Receipts	Cash Disbursements	Balance June 30
Patton Junior High:				
Student council	$ 3,303	$ 558	$ 958	$ 2,903
Chief's Hearts	96	-	-	96
Art award	117	-	-	117
National junior	104	-	-	104
School activities	1,905	1,817	3,587	135
Student activities	142	5,623	3,173	2,592
Annual	61	9,674	9,601	134
Yearbook	1,527	321	1,109	739
Total all funds	$ 7,255	$ 17,993	$ 18,428	$ 6,820

Schedule 4

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Patton Junior High:								
Sales tax	$ (6)	$ -	$ 32	$ 32	$ -	$ (6)	$ -	$ (6)
Impress fund	750	-	5,343	5,343	-	750	-	750
Site-based council	1,324	-	1,846	1,370	-	1,800	-	1,800
Book fair	422	-	2,932	2,973	-	381	-	381
PSAT AP exams	195	-	-	-	-	195	-	195
Patton G/B BB	125	-	-	-	-	125	-	125
Odyssey of the Mind	801	-	146	320	-	627	-	627
Subtotal Patton Junior High	3,611	-	10,299	10,038	-	3,872	-	3,872
Bradley Elementary	11,316	-	7,077	7,813	-	10,580	-	10,580
Eisenhower Elementary	5,924	-	8,153	9,803	-	4,274	-	4,274
MacArthur Elementary	9,412	-	7,297	10,302	-	6,407	-	6,407
Total all funds	$ 30,263	$ -	$ 32,826	$ 37,956	$ -	$ 25,133	$ -	$ 25,133

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

Grant Title	Federal ALN	Program Award	Unencumbered Cash Balance July 1, 2021	Receipts and Transfers	Disbursements, Accounts Payable, Encumbrances and Transfers	Unencumbered Cash Balance June 30, 2022
U.S. Department of Agriculture:						
Passed through Kansas State Department of Education:						
Child Nutrition Cluster:						
National School Breakfast	10.553	$ 246,809	$ -	$ 246,809	$ 246,809	$ -
National School Lunch Program	10.555	770,438	-	770,438	770,438	-
Summer Food Service Program for Children	10.559	43,599	-	43,599	43,599	-
Total Child Nutrition Cluster			-	1,060,846	1,060,846	-
COVID-19 - Pandemic EBT Administrative Cost Grant	10.649	614	-	614	614	-
Total U.S. Department of Agriculture			-	1,061,460	1,061,460	-
U.S. Department of Defense:						
Support for Student Achievement at Military Connected Schools/SPED (Project READ) 2017-2021	12.556	1,200,000	(40,014)	157,678	117,753	(89)
Support for Student Achievement at Military Connected Schools (Project LTW) 2019-2024	12.556	750,000	(33,294)	137,929	140,251	(35,616)
Support for Student Achievement at Military Connected Schools/SPED (Project ARMIES) 2022-2027	12.556	1,500,000	-	463,726	478,867	(15,141)
Section 7703 of 20 U.S.C. for Fiscal Year 2020-2021	12.558	967,171	23,619	-	23,619	-
Section 7703 of 20 U.S.C. for Fiscal Year 2021-2022	12.558	837,413	-	837,413	837,413	-
Total U.S. Department of Defense			(49,689)	1,596,746	1,597,903	(50,846)
U.S. Department of Education:						
Impact Aid	84.041	14,709,605	2,343,034	14,709,605	14,013,337	3,039,302
Passed through Kansas State Department of Education:						
Title I Grants to Local Education Agencies	84.010	39,753	-	39,753	39,753	-
Special Education Cluster:						
Title VI-B Discretionary	84.027	15,371	-	15,371	15,371	-
Title VI-B	84.027	345,763	-	345,763	345,763	-
Title VI-B Preschool	84.173	20,909	-	20,909	20,909	-
Total Special Education Cluster			-	382,043	382,043	-
Title II-A, Teacher Quality 2019	84.367	19,709	-	19,709	19,709	-
Student Support and Academic Achievement Program	84.424	12,219	-	12,219	12,219	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	441,889	-	441,889	441,889	-
Total U.S. Department of Education			2,343,034	15,605,218	14,908,950	3,039,302
Totals			$ 2,293,345	$ 18,263,424	$ 17,568,313	$ 2,988,456

See accompanying notes to Schedule of Expenditures of Federal Awards.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Fort Leavenworth Unified School District No. 207 (the District) under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statement. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the regulatory basis of accounting, as described in Note 2 to the District's financial statement.

The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

I. Summary of Independent Auditors' Results

Financial Statement

Type of report issued on whether the financial statement audited was prepared in accordance with GAAP:	Adverse
Type of auditors' report issued on the basis of accounting used by the District:	Unmodified – Regulatory basis
Internal control over financial reporting:	
Material weaknesses identified	None
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Noncompliance material to financial statement	None

Federal Awards

Type of auditors' report issued on compliance for major programs	Unmodified
Internal control over major programs:	
Material weaknesses identified	None
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)	None

Identification of major programs:

Assistance Listing Number	Name of Federal Program
84.041	Impact Aid
10.553/10.555/10.559	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs	$ 750,000
Auditee qualified as low-risk auditee	No

(Continued)

II. Financial Statement Findings

None noted

III. Findings and Questioned Costs for Federal Awards

None noted

BT & Co. P.A.
Certified Public Accountants

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

Board of Education
Fort Leavenworth Unified School District No. 207:

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 in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Fort Leavenworth Unified School District No. 207 (the District), which comprises the summary statement of regulatory basis receipts, expenditures and unencumbered cash as of and for the year ended June 30, 2022 and the related notes to the financial statement, and have issued our report thereon dated January 17, 2023. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 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.

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 or significant deficiencies may exist that were not identified.

An Independently Owned Member, RSM US Alliance

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Report on 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 financial statement. 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BT&Co., P.A.

January 17, 2023
Topeka, Kansas

BT & Co. P.A.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Fort Leavenworth Unified School District No. 207's (the District's) compliance with the types of compliance requirements identified as subject to audit in the 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, 2022. 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.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally applicable accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

BT&Co., P.A.

January 17, 2023
Topeka, Kansas