UNIFIED SCHOOL DISTRICT NO. 286

Financial Statements
and
Supplemental Information

with Independent Auditor's Report

For the Year Ended June 30, 2021

Unified School District No. 286
Sedan, Kansas
Special Financial Statements
For the Fiscal Year Ended June 30, 2021

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Sedan, Kansas
Special Financial Statements
For the Fiscal Year Ended June 30, 2021

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INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 286
Sedan, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 286, Sedan, Kansas, as of and for the year ended June 30, 2021, and the related notes to the financial statement.

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 preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 1 of the Notes to Financial Statement, the financial statement is prepared by Unified School District No. 286, Sedan, Kansas, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

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 Unified School District No. 286, Sedan, Kansas, as of June 30, 2021, 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 Unified School District No. 286, Sedan, Kansas, as of June 30, 2021, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2022 on our consideration of Unified School District No. 286, Sedan, Kansas, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Unified School District No. 286, Sedan, Kansas, internal control over financial reporting and compliance.

Report on 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 Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards, and is not a required part of the basic financial statements. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents), as required under the provisions of the *Kansas Municipal Audit and Accounting Guide*, are presented for analysis and are also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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.

Prior Year Comparative Analysis

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 286, Sedan, Kansas, as of June 30, 2020 (not presented herein) and have issued our report thereon dated February 26, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 financial statement or to the 2020 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole, for the year ended June 30, 2020, on the basis of accounting described in Note 1.

Respectfully Submitted,

Rodney M. Burns, CPA, LLC

March 4, 2022

Unified School District No. 286
Summary Statement of Cash Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:						
General	$ 7,770	3,686,723	3,694,493		4,911	4,911
Supplemental General	41,949	1,176,020	1,120,671	97,298	78,577	175,875
Special Purpose:						
At Risk K-12	118,752	471,275	457,917	132,110		132,110
Bilingual Education		1,228		1,228		1,228
Capital Outlay	1,375,854	104,896	87,205	1,393,545	4,821	1,398,366
Driver Training	24,449	4,938	4,864	24,523		24,523
Food Service	30,421	322,403	257,619	95,205	99	95,304
Professional Development	380			380		380
Special Education	394,902	1,126,578	1,036,533	484,947	757	485,704
Career and Postsecondary Education	238	193,940	117,894	76,284		76,284
Gifts and Grants		65,196	65,196		280	280
KPERS Special Retirement Contribution		331,890	331,890			
Contingency Reserve	145,967			145,967		145,967
Textbook and Student Material Revolving	23,713	5,375	989	28,099		28,099
Recreation Commission	2,309	24,046	22,915	3,440		3,440
21st Century Community Learning Centers	37,161	23,100	114,776	(54,515)	2,574	(51,941)
REAP Grant		25,639	25,639			
Title I		120,493	120,493		11,561	11,561
Improving Teacher Quality		16,313	16,313		1,967	1,967
Social and Emotional Learning	2,698		2,698		553	553
Title IV-A		14,378	14,378			
Allelulia Grant	1,615		1,615		1,615	1,615
Gate Receipts	3,453	47,035	48,857	1,631		1,631
Special Projects	17,747	2,445	4,800	15,392		15,392
Trusts:						
Elementary/Secondary School Emergency Relief		88,848	88,848		4,286	4,286
SPARK Program		115,826	115,826			
Total Primary Government (1)	2,229,378	7,968,585	7,752,429	2,445,534	112,001	2,557,535

Composition of Cash:	
Certificates of Deposit	1,000,000
Demand Deposits	1,621,046
Due from State of Kansas	249,003
Petty Cash Advance	1,500
Less: Agency Funds	(314,015)
Adjustment for Rounding	1
Total Primary Government (1)	2,557,535

(1) Excluding Agency Funds

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

Note 1 Summary of Significant Accounting Policies

A. Reporting Entity

Principles Used in Determining Scope of Entity

The basic criterion used for including or excluding other governmental organizations as part of the financial statements of the School District is financial accountability. Financial accountability is derived from the District's powers and includes, but is not limited to, appointment of a voting majority of the governing body, imposition of will, financial benefit/burden on primary government and fiscal dependency. The District has waived the application of generally accepted accounting principles and as such, have not included any component units in these financial statements.

B. Basis of Presentation

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 school district for the year ending June 30, 2021:

General Fund -- the chief operating fund. Used to account for all unrestricted 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 revenue sources that are intended for specific purposes.

Agency Funds -- funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

C. Basis of Accounting

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

The Kansas Municipal Audit and Accounting Guide 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 revenues 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 Kansas Municipal Audit and Accounting Guide 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 School 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 School to use the regulatory basis of accounting.

D. Budgets

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

1. Preparation of the budget for the succeeding 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 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. During the year ended June 30, 2021, the District had no such amendments. After this budget was adopted, the State Department of Education reduced the budget of the General Fund to the legal maximum amount of $3,694,493 and reduced the budget of the Supplemental General Fund to the legal maximum amount of $1,116,232. The legal maximum budget is computed based on audited full-time equivalent enrollment.

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 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 revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

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

Gifts and Grants Fund
Contingency Reserve Fund
Textbook and Student Material Revolving Fund
21st Century Community Learning Centers Fund
REAP Grant Fund
Title I Fund
Improving Teacher Quality Fund
Social and Emotional Learning Fund
Title IV-A Fund
Gate Receipts Fund
Special Projects Fund

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

E. Assets, Liabilities, and Fund Equity

Cash

To facilitate better management of the District's cash resources, excess cash is combined in pooled operating accounts. Each fund's portion of total cash is based on its equity in the pooled cash amount. Cash in excess of current operating needs is invested on a pooled investment basis and earnings thereon are credited to the special purpose funds designated by Kansas statutes.

Property Taxes and Other Receivables

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

F. Revenues and Expenditures

Property Tax Revenue Recognition

Property 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 rates established by Kansas Statutes. This interest is retained by the county.

Taxes levied to finance the budget are made available to the school 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.

Reimbursed Expenses

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.

Interfund Transactions

Quasi-external transactions are accounted for as revenue, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Note 2 In-Substance Receipt in Transit

The District received $249,003 subsequent to June 30, 2021 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, 2021. $198,200 of these receipts were for the General Fund and $50,803 for the Supplemental General Fund. The total of these amounts is displayed in the "Composition of Cash" as "Due from State of Kansas".

Note 3 Deposits and Investments

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.

K.S.A. 12-1675 allows the District to deposit idle funds in time deposits-open accounts, and certificates of deposit with allowable financial institutions; and to invest idle funds in U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool.

The District held no investments at June 30, 2021 and held no investments throughout the year.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. 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%. The District has not designated any peak periods.

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, 2021, the carrying amount of the District's deposits was $2,621,046 and the bank balance was $2,921,816. Of the bank balance, $500,000 was covered by federal depository insurance and $2,421,816 was collateralized with securities held by the pledging financial institutions' agents in the School's name.

Note 4 Long-term Debt

Changes in Long-Term Debt

Changes in long-term debt for the year ending June 30, 2021 were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year
Contracted Liabilities:				
Early Retirement Program	$ 18,184		9,472	8,712
Total Contractual Indebtedness	18,184	0	9,472	8,712

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

	2021-22	2022-23	Total
Early Retirement Plan	$ 6,528	2,184	8,712

Note 5 Claims and Judgments

The School participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School may be required to reimburse the grantor government. As of March 4, 2022, current year grant expenditures have not been audited, but the School believes disallowed expenditures or overpayments, if any, will not have a material effect on individual governmental funds or the overall financial position of the School.

During the course of its operations, the School is a party to various claims, legal actions and complaints. It is the opinion of the School's management that these matters are not anticipated to have a material impact on the School.

The School 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. The School has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2020 to 2021, and there were no settlements that exceeded insurance coverage in the past three years.

Note 6 Interfund Transfers

From Fund:	To Fund:	Authority		Amount
General Fund	At Risk K-12 Fund	K.S.A. 72-5167	$	349,941
General Fund	Special Education Fund	K.S.A. 72-5167		595,168
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167		190,757
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143		1,228
Supplemental General Fund	At Risk K-12 Fund	K.S.A. 72-5143		121,334
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143		485,421

Note 7 Other Long-Term Obligations from Operations

Compensated Absences.

The school district's leave policy allows crediting each certified employee with (13) thirteen days leave per year - (14) fourteen per year after fifteen years service - up to a maximum of (75) seventy five days. Classified year-round employees accrue (12) twelve days leave per year. Classified nine-month employees accrue (9) nine days leave per year. At retirement certified employees with ten years or more of service are compensated for a maximum of (50) fifty days of accumulated leave at the current substitute teacher pay rate. At retirement, classified employees with ten years or more of service are compensated for a maximum of (30) thirty days of accumulated leave at their current rate of pay. At the end of each contract year each employee is compensated for days in excess of their respective maximum, at the same rate they would receive if they had retired.

Early Retirement Incentive Plan

The school district's professional employee early retirement plan provides the following:

1. Employee will receive $546 per month towards a district sponsored health insurance plan, paid by the district through the month of their sixty fifth birthday if:

    a. Employee has reached the age of sixty-two and has 20 or more years of service

    b. Employee has reached the age of sixty and has 25 or more years of service

2. Employee will receive $546 per month towards a district sponsored health insurance plan, paid by the district for the first twelve months following their retirement school year if:

    a. Employee has not reached the age of sixty and has 25 or more years of service

Defined Benefit Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (2611 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.

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 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 $331,890 from the State of Kansas for the year ended June 30, 2021.

Net Pension Liability. At June 30, 2021, the District's proportionate share of the collective net pension liability reported by KPERS was $2,951,488. 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 longterm debt, this liability is not reported in these financial statements.

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

Note 8 Stewardship, Compliance, and Accountability

Compliance with Kansas Cash Basis Law

The 21st Century Community Learning Centers Fund has a deficit fund balance as of June 30, 2021, in the amount of $54,515. This deficit is caused by the District spending federal funding prior to year-end, which will then be reimbursed by the grantor in the next fiscal year. This is not a violation of the Kansas Cash Basis Law.

Compliance with Kansas Budget Law

No violations.

Compliance with Kansas Depository Security Law

No violations.

Note 9 COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spread globally beyond its point of origin. In March, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation, and the impact on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021. Future potential impacts may include decreases to in-person enrollment, increases to Virtual Education expenses and additional expenses to insure the safety and health of District personnel and students.

CRF and CARES Act Funding

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through the Strengthening People and Revitalizing Kansas (SPARK) program. SPARK's first round distribution was to local governments in the amount of $400 million. During the year ending June 30, 2021, the District received CRF in the amount of $115,826, through Chautauqua County, from the SPARK program. In addition to this, the District received an additional $88,848 from the State of Kansas through the Elementary/Secondary School Emergency Relief program (ESSER). The CRF and ESSER funds are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, ESSER, the CARES Act and CRF, which includes audit requirements, can be found at https://covid.ks.gov/.

Note 10 Subsequent Events

The District has evaluated subsequent events through March 4, 2022, the date which the financial statement was available to be issued.

Unified School District No. 286
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Favorable (Unfavorable)
Governmental Type Funds:						
General	$ 3,792,270	(97,777)		3,694,493	3,694,493	
Supplemental General	1,145,663	(29,431)	4,439	1,120,671	1,120,671	
Special Purpose:						
At Risk K-12	528,868			528,868	457,917	70,951
Bilingual Education	3,592			3,592		3,592
Capital Outlay	1,481,797			1,481,797	87,205	1,394,592
Driver Training	6,700			6,700	4,864	1,836
Food Service	286,933		142,628	429,561	257,619	171,942
Professional Development	380			380		380
Special Education	1,282,450			1,282,450	1,036,533	245,917
Career and Postsecondary Education	131,000			131,000	117,894	13,106
KPERS Special Retirement Contribution	401,129			401,129	331,890	69,239
Recreation Commission	22,915			22,915	22,915	
Totals	9,083,697	(127,208)	147,067	9,103,556	7,132,001	1,971,555

Unified School District No. 286
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from State Sources				
General State Aid	$ 3,040,950	3,088,454	3,029,922	58,532
Mineral Production Tax	6,195	3,101	5,000	(1,899)
Special Education Aid	574,042	595,168	651,800	(56,632)
Total Cash Receipts	3,621,187	3,686,723	3,686,722	1
Expenditures and Transfers				
Instruction				
Certified Salaries	1,086,909	1,102,237	1,150,000	47,763
Non-Certified Salaries	460		6,182	6,182
Group Insurance	196,996	215,264	210,000	(5,264)
Social Security	70,138	73,274	75,000	1,726
Other Employee Benefits	17,234	11,808	25,000	13,192
Supplies and Materials	8,460	60,558	20,000	(40,558)
Property (Equipment & Furnishings)	4,352	8,122	7,500	(622)
Total Instruction	1,384,549	1,471,263	1,493,682	22,419
Support Services - Students				
Certified Salaries	27,544	28,297	30,000	1,703
Non-Certified Salaries	39,592	55,842	42,000	(13,842)
Group Insurance	12,328	12,622	14,000	1,378
Social Security	4,965	5,135	6,000	865
Other Employee Benefits	138	164	25	(139)
Purchased Professional and Technical Services	5,776	4,802	6,000	1,198
Purchased Property Services			20,000	20,000
Repairs and Maintenance	19,499	19,399		(19,399)
Other Purchased Services			800	800
Supplies and Materials	2,380	253	750	497
Property (Equipment & Furnishings)	119			
Other	35,771	67,922	36,719	(31,203)
Total Support Services - Students	148,112	194,436	156,294	(38,142)
Support Services - Instr. Staff				
Non-Certified Salaries	23,480	15,825	26,000	10,175
Group Insurance	1,515		6,500	6,500
Social Security	13,538	12,280	13,000	720
Other Employee Benefits	555	567	250	(317)
Purchased Professional and Technical Services			7,500	7,500
Purchased Property Services			7,500	7,500
Other Purchased Services			5,000	5,000
Books and Periodicals	100	1,074	750	(324)
Miscellaneous Supplies	561		1,000	1,000
Property (Equipment & Furnishings)		817	4,000	3,183
Other			1,000	1,000
Total Support Services - Instr. Staff	39,749	30,563	72,500	41,937
General Administration				
Certified Salaries	54,283	99,100	57,000	(42,100)
Group Insurance	6,767	7,487	7,500	13
Social Security	3,820	6,950	4,000	(2,950)
Other Employee Benefits	170	225	100	(125)
Purchased Professional and Technical Services			3,000	3,000
Purchased Property Services	208	1,042	1,000	(42)
Communication Services	8,231	7,305	18,500	11,195
Other Miscellaneous Purchased Services	1,156	1,181	6,000	4,819
Supplies and Materials	3,227	11,963	4,500	(7,463)
Property (Equipment & Furnishings)	1,502	540	1,000	460
Other	18,981	11,600	25,000	13,400
Total General Administration	98,345	147,393	127,600	(19,793)

Unified School District No. 286
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Favorable (Unfavorable)
School Administration				
Certified Salaries	$ 150,063	146,800	155,000	8,200
Non-Certified Salaries	49,106	50,417	55,000	4,583
Group Insurance	18,967	25,166	21,000	(4,166)
Social Security	14,128	14,746	15,000	254
Other Employee Benefits	567	665	750	85
Purchased Professional and Technical Services	30		4,000	4,000
Purchased Property Services			3,500	3,500
Communication Services			1,000	1,000
Other Miscellaneous Purchased Services	730	845	800	(45)
Supplies and Materials	853	500	500	
Property (Equipment & Furnishings)	187	1,856	1,500	(356)
Other	6,440	2,048	5,000	2,952
Total School Administration	241,071	243,043	263,050	20,007
Operations and Maintenance				
Non-Certified Salaries	156,737	175,059	160,000	(15,059)
Group Insurance	37,826	33,756	40,000	6,244
Social Security	11,546	13,019	13,000	(19)
Other Employee Benefits	363	425	100	(325)
Purchased Professional and Technical Services	1,084	2,976	5,000	2,024
Repairs and Maintenance		45	5,000	4,955
Other Purchased Property Services	6,698	2,908	5,000	2,092
Supplies and Materials	24,014	38,658	30,000	(8,658)
Motor Fuel			3,000	3,000
Other	4,368	4,368		(4,368)
Property (Equipment & Furnishings)			1,000	1,000
Other	12,250	1,271	10,000	8,729
Total Operations and Maintenance	254,886	272,485	272,100	(385)
Vehicle Operation Services				
Non-Certified Salaries	103,021	110,200	100,000	(10,200)
Social Security	6,893	7,366	6,500	(866)
Other Employee Benefits	89	113	100	(13)
Equipment	6,220	732	2,500	1,768
Other	1,746	2,354	4,000	1,646
Total Vehicle Operation Services	117,969	120,765	113,100	(7,665)
Vehicle Servicing/Maintenance				
Non-Certified Salaries			9,000	9,000
Group Insurance	6,307	6,527	6,500	(27)
Social Security	58	58	100	42
Other Employee Benefits	999	1,006	1,300	294
Purchased Professional and Technical Services	4,614	540	2,000	1,460
Supplies and Materials	3,795	8,266	5,000	(3,266)
Property (Equipment & Furnishings)			2,000	2,000
Total Vehicle Servicing/Maintenance	15,773	16,397	25,900	9,503
Other Student Transportation Services				
Non-Certified Salaries	5,599	4,829		(4,829)
Social Security	420	349	600	251
Other Employee Benefits	13	12	25	13
Other Purchased Services	30		1,000	1,000
Total Other Student Transportation Services	6,062	5,190	1,625	(3,565)
Support Services - Other				
Non-Certified Salaries	45,696	47,328	45,000	(2,328)
Employee Benefits	2,277			
Group Insurance	6,332	6,527	10,000	3,473
Social Security	3,097	3,142	3,000	(142)
Other Employee Benefits	97	95	1,000	905
Total Support Services - Other	57,499	57,092	59,000	1,908

Unified School District No. 286
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Fund Transfers				
Bilingual Education	$		2,790	2,790
At Risk K-12	360,426	349,941	281,000	(68,941)
Food Service			29,289	29,289
Special Education	764,393	595,168	765,078	169,910
Career and Postsecondary Education	116,596	190,757	129,262	(61,495)
Gifts and Grants	9,562			
Total Fund Transfers	1,250,977	1,135,866	1,207,419	71,553
Budget Adjustments				
Legal Max Adjustment			(97,777)	(97,777)
Total Expenditures and Transfers	3,614,992	3,694,493	3,694,493	
Receipts Over (Under) Expenditures and Transfers	6,195	(7,770)		
Unencumbered Cash, Beginning	1,575	7,770		
Prior Year Encumbrances Cancelled				
Unencumbered Cash, Ending	7,770			

Unified School District No. 286
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 373,730	448,966	390,495	58,471
Delinquent Taxes	21,234	17,826	5,836	11,990
Other Revenue From Local Sources		1,223		1,223
Reimbursements		4,439		4,439
Total Revenue from Local Sources	394,964	472,454	396,331	76,123
Revenue from County Sources				
Motor Vehicle Tax	51,748	52,866	39,699	13,167
Recreational Vehicle Tax	978	1,116	1,080	36
Commercial Vehicle Tax	1,003	831	744	87
Total Revenue from County Sources	53,729	54,813	41,523	13,290
Revenue from State Sources				
Supplemental State Aid	632,599	648,753	636,428	12,325
Total Cash Receipts	1,081,292	1,176,020	1,074,282	101,738
Expenditures and Transfers				
Instruction				
Certified Salaries	2,526	8,902	10,000	1,098
Group Insurance	210	671	2,500	1,829
Supplies and Materials	47,152	70,122	80,000	9,878
Textbooks	8,087		14,497	14,497
Audio Visual and Software	31,546	32,833	40,000	7,167
Miscellaneous Supplies			5,000	5,000
Property (Equipment & Furnishings)	3,872	39,096	20,214	(18,882)
Other			3,000	3,000
Total Instruction	93,393	151,624	175,211	23,587
Support Services - Students				
Purchased Professional and Technical Services			20,000	20,000
Other			3,000	3,000
Total Support Services - Students			23,000	23,000
Support Services - Instr. Staff				
Purchased Professional and Technical Services	42,828	18,825	50,000	31,175
Property (Equipment & Furnishings)	60,286	55,736	70,000	14,264
Total Support Services - Instr. Staff	103,114	74,561	120,000	45,439
Operations and Maintenance				
Water/Sewer Services (Non-Energy)	19,483	16,843	21,000	4,157
Repairs and Maintenance	79,902	88,079	85,000	(3,079)
Repair of Buildings	1,000	12,355	147,984	135,629
Insurance	99,327	2,987	105,000	102,013
Heating	18,635	22,649	22,000	(649)
Electricity	76,304	82,201	105,000	22,799
Total Operations and Maintenance	294,651	225,114	485,984	260,870
Vehicle Operation Services				
Insurance			8,000	8,000
Motor Fuel	23,410	23,924	35,000	11,076
Property (Equipment & Furnishings)		26,623	8,000	(18,623)
Total Vehicle Operation Services	23,410	50,547	51,000	453
Vehicle Servicing/Maintenance				
Purchased Professional and Technical Services	500	10,842	8,000	(2,842)
Fund Transfers				
Bilingual Education		1,228	802	(426)
At Risk K-12	115,527	121,334	129,116	7,782
Special Education	466,524	485,421	152,550	(332,871)
Total Fund Transfers	582,051	607,983	282,468	(325,515)

Unified School District No. 286
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Budget Adjustments				
Legal Max Adjustment	$		(29,431)	(29,431)
Budget Credit Adjustment			4,439	4,439
Total Expenditures and Transfers	1,097,119	1,120,671	1,120,671	
Receipts Over (Under) Expenditures and Transfers	(15,827)	55,349		
Unencumbered Cash, Beginning	57,776	41,949		
Prior Year Encumbrances Cancelled				
Unencumbered Cash, Ending	41,949	97,298		

Unified School District No. 286
At Risk K-12 Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
Operating Transfers				
Transfer from General Fund	$ 360,426	349,941	281,000	68,941
Transfer from Supplemental General Fund	115,527	121,334	129,116	(7,782)
Total Cash Receipts	475,953	471,275	410,116	61,159
Expenditures and Transfers				
Instruction				
Certified Salaries	311,420	330,826	325,000	(5,826)
Non-Certified Salaries	114,173	73,610	120,000	46,390
Social Security	30,909	30,187	32,500	2,313
Other Employee Benefits	29,498	23,294	30,368	7,074
Purchased Professional and Technical Services			1,000	1,000
Supplies and Materials			5,000	5,000
Textbooks			5,000	5,000
Property (Equipment & Furnishings)			5,000	5,000
Other			5,000	5,000
Total Expenditures and Transfers	486,000	457,917	528,868	70,951
Receipts Over (Under) Expenditures and Transfers	(10,047)	13,358		
Unencumbered Cash, Beginning	128,799	118,752		
Unencumbered Cash, Ending	118,752	132,110		

Unified School District No. 286
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
Operating Transfers				
Transfer from General Fund	$		2,790	(2,790)
Transfer from Supplemental General Fund		1,228	802	426
Total Cash Receipts		1,228	3,592	(2,364)
Expenditures and Transfers				
Instruction				
Certified Salaries			2,000	2,000
Social Security			500	500
Other Employee Benefits			92	92
Supplies and Materials			1,000	1,000
Total Expenditures and Transfers			3,592	3,592
Receipts Over (Under) Expenditures and Transfers		1,228		
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending		1,228		

Unified School District No. 286
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 118,209	40,813	38,881	1,932
Delinquent Taxes	2,571	4,230	1,874	2,356
Interest on Investments	6,828	7,095	6,000	1,095
Other Revenue From Local Sources	34,210	26,433	30,000	(3,567)
Total Revenue from Local Sources	161,818	78,571	76,755	1,816
Revenue from County Sources				
Motor Vehicle Tax	5,491	6,674	9,383	(2,709)
Recreational Vehicle Tax	135	203	255	(52)
Commercial Vehicle Tax	137	77	176	(99)
Total Revenue from County Sources	5,763	6,954	9,814	(2,860)
Revenue from State Sources				
General State Aid	63,909	19,371	19,374	(3)
Total Cash Receipts	231,490	104,896	105,943	(1,047)
Expenditures and Transfers				
Instruction				
Property (Equipment & Furnishings)			336,797	336,797
Support Services - Students				
Property (Equipment & Furnishings)			30,000	30,000
Support Services - Instr. Staff				
Property (Equipment & Furnishings)			30,000	30,000
General Administration				
Property (Equipment & Furnishings)			30,000	30,000
Operations and Maintenance				
Property (Equipment & Furnishings)			100,000	100,000
Student Transportation				
Property (Equipment & Furnishings)	36,221	59,759	140,000	80,241
Facilities Acquisition/Construction				
Site Improvement Services			195,000	195,000
Building Repair and Remodeling	15,200	27,446	300,000	272,554
Architect Services			20,000	20,000
Total Facilities Acquisition/Construction	15,200	27,446	515,000	487,554
Architectural and Engineering Services				
Purchased Professional and Technical Services			300,000	300,000
Total Expenditures and Transfers	51,421	87,205	1,481,797	1,394,592
Receipts Over (Under) Expenditures and Transfers	180,069	17,691		
Unencumbered Cash, Beginning	1,195,785	1,375,854		
Unencumbered Cash, Ending	1,375,854	1,393,545		

Unified School District No. 286
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from Local Sources				
Student Fees	$ 1,152	2,592	1,200	1,392
Revenue from State Sources				
General State Aid	3,380	2,346	1,800	546
Total Cash Receipts	4,532	4,938	3,000	1,938
Expenditures and Transfers				
Instruction				
Certified Salaries	4,374	4,527	5,000	473
Social Security	318	328	500	172
Other Employee Benefits	12	9	100	91
Purchased Professional and Technical Services			100	100
Total Instruction	4,704	4,864	5,700	836
Vehicle Operation Services				
Supplies and Materials	85			
Motor Fuel	199		1,000	1,000
Total Vehicle Operation Services	284		1,000	1,000
Total Expenditures and Transfers	4,988	4,864	6,700	1,836
Receipts Over (Under) Expenditures and Transfers	(456)	74		
Unencumbered Cash, Beginning	24,905	24,449		
Unencumbered Cash, Ending	24,449	24,523		

Unified School District No. 286
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from Local Sources				
Student Sales	$ 35,065	2,094	46,240	(44,146)
Adults and Non-Reimbursable Programs	7,581	3,574	5,510	(1,936)
Other Revenue From Local Sources	5,805	3,860	5,000	(1,140)
Total Revenue from Local Sources	48,451	9,528	56,750	(47,222)
Revenue from State Sources				
General State Aid	2,195	2,255	1,900	355
Revenue from Federal Sources				
Federal Financial Assistance	158,660	303,202	160,574	142,628
Other Federal Financial Assistance	7,417	7,418	8,000	(582)
Total Revenue from Federal Sources	166,077	310,620	168,574	142,046
Operating Transfers				
Transfer from General Fund			29,289	(29,289)
Total Cash Receipts	216,723	322,403	256,513	65,890
Expenditures and Transfers				
Operations and Maintenance				
Non-Certified Salaries			11,000	11,000
Other Purchased Services			2,933	2,933
Other Miscellaneous Purchased Services	85	1,364		(1,364)
Supplies and Materials		1,966	1,500	(466)
Property (Equipment & Furnishings)	41		2,500	2,500
Other			250	250
Total Operations and Maintenance	126	3,330	18,183	14,853
Food Service Operations				
Non-Certified Salaries	61,333	65,432	69,000	3,568
Group Insurance	14,129	12,017	18,500	6,483
Social Security	2,537	2,492	4,500	2,008
Other Employee Benefits	129	148	250	102
Other Miscellaneous Purchased Services	2,842	1,522	3,000	1,478
Supplies and Materials	7,600	11,079		(11,079)
Food and Milk	155,562	160,562	163,000	2,438
Miscellaneous Supplies			7,500	7,500
Property (Equipment & Furnishings)			1,000	1,000
Other	1,249	1,037	2,000	963
Total Food Service Operations	245,381	254,289	268,750	14,461
Budget Credit Adjustment			142,628	142,628
Total Expenditures and Transfers	245,507	257,619	429,561	171,942
Receipts Over (Under) Expenditures and Transfers	(28,784)	64,784		
Unencumbered Cash, Beginning	59,205	30,421		
Prior Year Encumbrances Cancelled				
Unencumbered Cash, Ending	30,421	95,205		

Unified School District No. 286
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
None	$			
Expenditures and Transfers				
Support Services - Instr. Staff				
Purchased Property Services			380	380
Total Expenditures and Transfers			380	380
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning	380	380		
Unencumbered Cash, Ending	380	380		

Unified School District No. 286
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from State Sources				
Deaf/Blind Aid	$ 1,721			
Revenue from Federal Sources				
Medicaid Title XIX	11,092	45,989	20,000	25,989
Operating Transfers				
Transfer from General Fund	764,393	595,168	765,078	(169,910)
Transfer from Supplemental General Fund	466,524	485,421	152,550	332,871
Total Operating Transfers	1,230,917	1,080,589	917,628	162,961
Total Cash Receipts	1,243,730	1,126,578	937,628	188,950
Expenditures and Transfers				
Instruction				
Non-Certified Salaries	10,685	13,571	7,500	(6,071)
Other Employee Benefits	19	18	25	7
Tuitions	586			
Tuition			500	500
LEA Payments to COOP's/Interlocals	420,468	446,427	610,000	163,573
LEA State Aid Flowthrough Payments to COOP's/Interlocals	534,039	559,937	640,000	80,063
Supplies and Materials	1,487	6,302	2,500	(3,802)
Property (Equipment & Furnishings)	665	1,261	3,000	1,739
Total Instruction	967,949	1,027,516	1,263,525	236,009
Operations and Maintenance				
Repairs and Maintenance	2,590	1,666	2,500	834
Vehicle Operation Services				
Non-Certified Salaries	10,754	3,928	11,000	7,072
Social Security	792	276	800	524
Other Employee Benefits	29	10	25	15
Insurance	554	944	1,000	56
Supplies and Materials	680	193		(193)
Motor Fuel	2,022	2,000	3,500	1,500
Other			100	100
Total Vehicle Operation Services	14,831	7,351	16,425	9,074
Total Expenditures and Transfers	985,370	1,036,533	1,282,450	245,917
Receipts Over (Under) Expenditures and Transfers	258,360	90,045		
Unencumbered Cash, Beginning	136,542	394,902		
Prior Year Encumbrances Cancelled				
Unencumbered Cash, Ending	394,902	484,947		

Unified School District No. 286
Career and Postsecondary Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from Local Sources				
Miscellaneous	$ 2,149	3,183	1,500	1,683
Revenue from State Sources				
CTE Transportation State Aid	38			
Operating Transfers				
Transfer from General Fund	116,596	190,757	129,262	61,495
Total Cash Receipts	118,783	193,940	130,762	63,178
Expenditures and Transfers				
Instruction				
Certified Salaries	103,562	106,448	105,000	(1,448)
Social Security	7,089	7,470	7,500	30
Other Employee Benefits	247	210	1,000	790
Purchased Professional and Technical Services			250	250
Other Purchased Services	206			
Tuition	2,070	673	5,000	4,327
Other Miscellaneous Purchased Services			1,000	1,000
Supplies and Materials	4,539	3,093	7,500	4,407
Textbooks			3,000	3,000
Property (Equipment & Furnishings)	842		750	750
Total Expenditures and Transfers	118,555	117,894	131,000	13,106
Receipts Over (Under) Expenditures and Transfers	228	76,046		
Unencumbered Cash, Beginning	10	238		
Unencumbered Cash, Ending	238	76,284		

Unified School District No. 286
Gifts and Grants Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Local Sources		
Donations	$ 2,243	3,740
Revenue from State Sources		
Kansas Safe and Secure Schools	4,000	
Mental Health Intervention Grant	33,344	61,456
Total Revenue from State Sources	37,344	61,456
Operating Transfers		
Transfer from General Fund	9,562	
Total Cash Receipts	49,149	65,196
Expenditures and Transfers		
Instruction		
Non-Certified Salaries	26,400	35,586
Group Insurance	6,350	6,556
Social Security	1,820	3,950
General Supplies and Materials	6,243	3,710
Other	8,336	15,394
Total Expenditures and Transfers	49,149	65,196
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning		
Prior Year Encumbrances Cancelled		
Unencumbered Cash, Ending		

Unified School District No. 286
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from State Sources				
General State Aid	$ 363,968	331,890	401,129	(69,239)
Total Cash Receipts	363,968	331,890	401,129	(69,239)
Expenditures and Transfers				
Instruction				
Employee Benefits	258,218	232,314	284,581	52,267
Support Services - Students				
Employee Benefits	6,578	9,666	7,250	(2,416)
Support Services - Instr. Staff				
Employee Benefits	3,528	2,607	3,888	1,281
General Administration				
Employee Benefits	8,241	10,112	9,082	(1,030)
School Administration				
Employee Benefits	33,130	26,467	36,513	10,046
Support Services - Business				
Employee Benefits	3,653	6,155	4,026	(2,129)
Operations and Maintenance				
Employee Benefits	22,425	22,455	24,715	2,260
Student Transportation				
Employee Benefits	18,444	14,821	20,327	5,506
Food Service Operations				
Employee Benefits	9,751	7,293	10,747	3,454
Total Expenditures and Transfers	363,968	331,890	401,129	69,239
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 286
Contingency Reserve Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	$	
Expenditures and Transfers		
None		
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning	145,967	145,967
Unencumbered Cash, Ending	145,967	145,967

Unified School District No. 286
Textbook and Student Material Revolving Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Local Sources			
Student Fees	$	2,516	5,375
Total Cash Receipts		2,516	5,375
Expenditures and Transfers			
Instruction			
Property (Equipment & Furnishings)		459	989
Total Expenditures and Transfers		459	989
Receipts Over (Under) Expenditures and Transfers		2,057	4,386
Unencumbered Cash, Beginning		21,656	23,713
Unencumbered Cash, Ending		23,713	28,099

Unified School District No. 286
Recreation Commission Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 19,944	19,805	18,187	1,618
Delinquent Taxes	863	869	312	557
Total Revenue from Local Sources	20,807	20,674	18,499	2,175
Revenue from County Sources				
Motor Vehicle Tax	1,676	3,291	2,015	1,276
Recreational Vehicle Tax	36	76	55	21
Commercial Vehicle Tax	95	5	37	(32)
Total Revenue from County Sources	1,807	3,372	2,107	1,265
Total Cash Receipts	22,614	24,046	20,606	3,440
Expenditures and Transfers				
Community Services Operations				
Community Service Operations	22,381	22,915	22,915	
Total Expenditures and Transfers	22,381	22,915	22,915	
Receipts Over (Under) Expenditures and Transfers	233	1,131		
Unencumbered Cash, Beginning	2,076	2,309		
Unencumbered Cash, Ending	2,309	3,440		

Unified School District No. 286
21st Century Community Learning Centers Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 107,081	23,100
Total Cash Receipts	107,081	23,100
Expenditures and Transfers		
Instruction		
Certified Salaries	38,708	26,557
Non-Certified Salaries	2,728	51,709
Social Security	8,181	
Other Employee Benefits	3	2,966
Purchased Professional and Technical Services	2,191	4,778
General Supplies and Materials	3,023	6,630
Other	7,458	
Total Instruction	62,292	92,640
Support Services - Instr. Staff		
Purchased Professional and Technical Services		1,537
General Supplies and Materials	4,308	7,205
Total Support Services - Instr. Staff	4,308	8,742
Vehicle Operation Services		
Non-Certified Salaries		9,661
Other Employee Benefits		581
Motor Fuel	3,320	2,988
Other		164
Total Vehicle Operation Services	3,320	13,394
Total Expenditures and Transfers	69,920	114,776
Receipts Over (Under) Expenditures and Transfers	37,161	(91,676)
Unencumbered Cash, Beginning		37,161
Unencumbered Cash, Ending	37,161	(54,515)

Unified School District No. 286
REAP Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Federal Sources			
Federal Financial Assistance	$	26,973	25,639
Total Cash Receipts		26,973	25,639
Expenditures and Transfers			
Instruction			
Supplies and Materials		26,973	25,639
Total Expenditures and Transfers		26,973	25,639
Receipts Over (Under) Expenditures and Transfers			
Unencumbered Cash, Beginning			
Unencumbered Cash, Ending			

Unified School District No. 286
Title I Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Federal Sources			
Federal Financial Assistance	$	95,499	120,493
Total Cash Receipts		95,499	120,493
Expenditures and Transfers			
Instruction			
Certified Salaries		77,077	96,755
Employee Benefits		5,810	
Social Security			10,716
Other Purchased Services		700	1,000
Supplies and Materials		11,912	12,022
Total Expenditures and Transfers		95,499	120,493
Receipts Over (Under) Expenditures and Transfers			
Unencumbered Cash, Beginning			
Unencumbered Cash, Ending			

Unified School District No. 286
Improving Teacher Quality Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 15,812	16,313
Total Cash Receipts	15,812	16,313
Expenditures and Transfers		
Instruction		
Purchased Professional and Technical Services	10,970	8,890
Supplies and Materials		4,532
General Supplies and Materials	33	
Other	4,023	
Total Instruction	15,026	13,422
Support Services - Instr. Staff		
Purchased Professional and Technical Services	786	2,891
Total Expenditures and Transfers	15,812	16,313
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		

Unified School District No. 286
Social and Emotional Learning Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	$	
Expenditures and Transfers		
Instruction		
General Supplies and Materials		2,698
Total Expenditures and Transfers		2,698
Receipts Over (Under) Expenditures and Transfers		(2,698)
Unencumbered Cash, Beginning	2,698	2,698
Unencumbered Cash, Ending	2,698	

Unified School District No. 286
Title IV-A Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Federal Sources			
Federal Financial Assistance	$	13,348	14,378
Total Cash Receipts		13,348	14,378
Expenditures and Transfers			
Instruction			
General Supplies and Materials		13,348	14,378
Total Expenditures and Transfers		13,348	14,378
Receipts Over (Under) Expenditures and Transfers			
Unencumbered Cash, Beginning			
Unencumbered Cash, Ending			

Unified School District No. 286
Allelulia Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	$	
Expenditures and Transfers		
Instruction		
Certified Salaries	88	
General Supplies and Materials	566	1,615
Other	7	
Total Expenditures and Transfers	661	1,615
Receipts Over (Under) Expenditures and Transfers	(661)	(1,615)
Unencumbered Cash, Beginning	2,276	1,615
Unencumbered Cash, Ending	1,615	

Unified School District No. 286
Elementary/Secondary School Emergency Relief Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$	88,848
Total Cash Receipts		88,848
Expenditures and Transfers		
Instruction		
Certified Salaries		16,646
Social Security		1,332
Purchased Professional and Technical Services		66
General Supplies and Materials		16,400
Audio Visual and Software		42,676
Total Instruction		77,120
Operations and Maintenance		
General Supplies and Materials		11,728
Total Expenditures and Transfers		88,848
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		

Unified School District No. 286
SPARK Program Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$	115,826
Total Cash Receipts		115,826
Expenditures and Transfers		
Instruction		
General Supplies and Materials		46,560
Audio Visual and Software		37,350
Total Instruction		83,910
Operations and Maintenance		
Repair of Buildings		10,127
General Supplies and Materials		21,789
Total Operations and Maintenance		31,916
Total Expenditures and Transfers		115,826
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		

Unified School District No. 286
Sedan, Kansas
Agency Funds
Schedule of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2021

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organization Funds:				
High School:				
Alpha Beta Gamma	319	-	-	319
Band	2,999	2,100	1,623	3,476
Baseball	-	500	-	500
Class of '19	94	-	94	-
Class of '20	3,982	-	3,257	725
Class of '21	4,274	16,177	19,949	502
Class of '22	551	5,714	4,606	1,659
Class of '23	912	430	-	1,342
Class of '24	-	405	-	405
Class of '25	-	50	-	50
Class of '26	-	10	-	10
FCCLA	8,279	3,534	3,285	8,528
FFA	3,387	47,234	44,314	6,307
Football Special	1,285	1,945	2,803	427
Investment Interest	252	50	-	302
JH Cheerleaders	792	4,971	2,605	3,158
JH Stucco	213	336	87	462
Lettermen	966	-	234	732
National Honor Society	499	100	95	504
Peer Tutors	41	-	-	41
Program	4,379	2,729	2,910	4,198
SH Cheerleaders	2,432	8,142	4,274	6,300
SH Stucco	3,002	596	3,062	536
SFB Special	528	36	247	317
Track	2,272	3,327	1,836	3,763
Vocal	1,512	308	-	1,820
Volleyball	-	4,595	1,828	2,767
Elementary:				
Elem Stucco	2,221	1,003	1,996	1,228
Scholastic Donations	64	-	-	64
Total Student Organizations	45,255	104,292	99,105	50,442
Other Agency Funds:				
Sales Tax	5	-	5	-
Payroll Clearing	245,974	1,359,335	1,343,228	262,081
Retiree Health Insurance Clearing	3,447	12,934	14,889	1,492
Total Other Agency Funds:	249,426	1,372,269	1,358,122	263,573
Total Agency Funds	294,681	1,476,561	1,457,227	314,015

Unified School District No. 286
Sedan, Kansas
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2021

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts:						
High School:						
Athletics	$ 2,665	39,963	41,788	840		840
Concessions	788	7,072	7,069	791		791
Subtotal Gate Receipts	3,453	47,035	48,857	1,631	-	1,631
Special Projects:						
Middle School:						
Library	543	-	-	543		543
High School:						
Yearbook	17,204	2,445	4,800	14,849		14,849
Subtotal Special Projects	17,747	2,445	4,800	15,392	-	15,392
Total District Activity Funds	21,200	49,480	53,657	17,023	-	17,023

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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*

Board of Education
Unified School District No. 286
Sedan, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the statutory basis financial statements of Unified School District No. 286, Sedan, Kansas, (the District) as of and for the year ended June 30, 2021, and have issued our report thereon dated March 4, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

This 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

Rodney M. Burns, CPA, LLC

March 4, 2022

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

Board of Education
Unified School District No. 286
Sedan, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of Unified School District No. 286, Sedan, Kansas, (the District) with the types of compliance requirements described 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, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management 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 District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* 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 District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance 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 District'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 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.

Purpose of this Report

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.

Respectfully Submitted,

Rodney M. Burns, CPA, LLC

March 4, 2022

Unified School District No. 286
Sedan, Kansas
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

I. Summary of Audit Results

Financial Statement:
The auditors' report expresses an adverse opinion on the financial statement of Unified School District No. 286 on the Generally Accepted Accounting Principles (GAAP) basis of accounting, but an unmodified opinion on the regulatory basis of accounting as prescribed by the State of Kansas.

Internal Control over Financial Reporting:

Material weakness(es) identified?	____ Yes	X No	
Significant deficiency(ies) identified?	____ Yes	X None reported	
Non compliance or other matters required to be reported under *Government Auditing Standards?*	____ Yes	X No	

Federal Awards:
Internal control over major programs:

Material weakness(es) identified?	____ Yes	X No	
Significant deficiency(ies) identified?	____ Yes	X None reported	

The auditors' report on compliance for the major federal award programs for Unified School District No. 286 expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance	____ Yes	X No

Identification of major programs:

U.S. Department of Agriculture	
Child Nutrition Cluster:	
National School Lunch Program	CFDA No. 10.555
Summer Food Service Program for Children	CFDA No. 10.559
U.S. Department of the Treasury	
Coronavirus Relief Fund	CFDA No. 21.019

The threshold for distinguishing Types A and B programs was $750,000.

Auditee qualified as a low risk auditee?	____ Yes	X No

II. Financial Statement Findings

None.

III. Federal Award Findings and Questioned Costs

None.

Unified School District No. 286
Sedan, Kansas
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Cash Receipts	Disbursements/ Expenditures
U.S. Department of Agriculture				
Passed through State Department of Education				
Child Nutrition Cluster:				
National School Lunch Program	DO286	10.555 $	111,351	111,351 (1)
Summer Food Service Program for Children	DO286	10.559	191,849	191,849 (1)
	Total Child Nutrition Cluster		303,200	303,200
Fresh Fruits and Vegetables Program	DO286	10.582	7,418	7,418
Total U.S. Department of Agriculture			310,618	310,618
U.S. Department of the Treasury				
Passed through Chautauqua County, Kansas				
Coronavirus Relief Fund		21.019	115,826	115,826 (1)
U.S. Department of Education				
Passed through Kansas Department of Education				
Title I Grant to Local Educational Agencies	DO286	84.010	120,493	120,493
Twenty-first Century Community Learning Centers	DO286	84.287	23,100	114,776
Supporting Effective Instruction State Grants	DO286	84.367	16,313	16,313
Student Support and Academic Enrichment Program	DO286	84.424	14,378	14,378
Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund	DO286	84.425D	88,848	88,848
Passed through Southeast Kansas Education Service Center				
Career and Technical Education - Basic Grants to States		84.048	4,236	4,236
Rural Education		84.358	25,639	25,639
Total U.S. Department of Education			293,007	384,683
U.S. Department of Health and Human Services				
Passed through Kansas Department of Education				
Cooperative Agreements to Promote Adolescent Health Through School-Based HIV/STD Prevention and School-Based Surveillance	DO286	93.079	100	100
Total Federal Awards			719,551	811,227

(1) These programs were considered to be major programs

Note to the Schedule of Expenditures of Federal Awards:

Note A: General

The Schedule of Expenditures of Federal Awards presents the activity of all federal awards of Unified School District No. 286, Sedan, Kansas (the District). All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on this schedule.

Note B: Indirect Cost Rate

The District did not elect to use the 10% de minimis cost rate as allowed under the Uniform Guidance

Note C: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. This is the same basis of accounting used in the District's regulatory basis financial statements. The information presented in this schedule is in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.