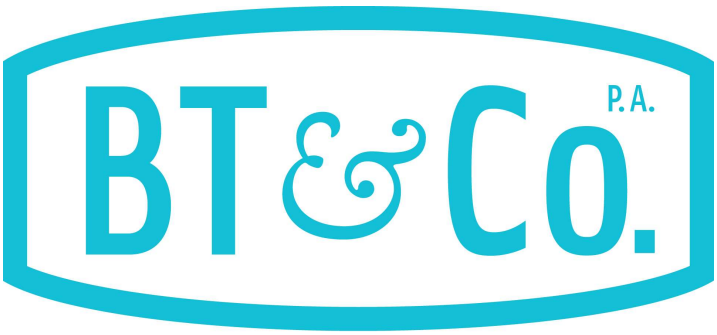


SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434 SCRANTON, KANSAS

FINANCIAL STATEMENT
YEAR ENDED JUNE 30, 2021

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS
Year Ended June 30, 2021

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SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS
Year Ended June 30, 2021

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BT & Co. P.A.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Board of Education
Santa Fe Trail Unified School District No. 434:
Scranton, Kansas

Report on the Financial Statement

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Santa Fe Trail Unified School District No. 434 (the District) as of and for the year ended June 30, 2021 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* (the KMAAG) 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' 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 District'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 District'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 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District 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 the District 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 KMAAG described in Note 2.

Other Matters

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 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* (CFR) Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the KMAAG. 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 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 16, 2021 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 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.

November 16, 2021
Topeka, Kansas

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND
UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2021

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	$ -	$ -	$ 8,625,986	$ 8,625,986	$ -	$ 188,733	$ 188,733
Supplemental general fund	187,767	-	2,840,458	2,918,682	109,543	51,349	160,892
Special purpose funds:							
Virtual education	7,744	-	28,135	25,375	10,504	-	10,504
Career and postsecondary education	8,238	-	172,684	130,922	50,000	-	50,000
Special education	298,143	-	2,328,434	2,147,941	478,636	704	479,340
Driver training	17,496	-	11,949	11,199	18,246	-	18,246
Food service	25,728	-	708,509	553,685	180,552	-	180,552
Capital outlay	396,584	-	1,195,101	954,751	636,934	264,785	901,719
Extraordinary school program	10,558	-	7,329	17,887	-	-	-
KPERS special retirement contribution	36	-	855,945	855,981	-	-	-
At-risk (K-12)	7,704	-	1,356,478	1,164,907	199,275	58,174	257,449
At-risk (4 year-old)	2,742	-	235,739	188,481	50,000	8,191	58,191
Professional development	20,308	-	55,597	4,070	71,835	707	72,542
Gifts and grants	73,629	-	100,117	20,584	153,162	1,886	155,048
Federal grant funds	(19,000)	-	559,116	540,116	-	200	200
Textbook rental	15,183	-	122,753	17,280	120,656	1,545	122,201
Contingency reserve	150,101	-	150,000	-	300,101	-	300,101
CARES Act	117,657	-	-	117,657	-	-	-
Bilingual education	-	-	283	-	283	-	283
Gate receipts	10,471	-	65,250	64,251	11,470	-	11,470
District activity funds	57,459	-	92,337	103,441	46,355	-	46,355
Bond and interest fund	421,118	-	508,888	366,610	563,396	-	563,396
Total reporting entity (excluding agency funds)	$ 1,809,666	$ -	$ 20,021,088	$ 18,829,806	$ 3,000,948	$ 576,274	$ 3,577,222
Composition of cash:							
Checking accounts							$ 3,648,691
Agency funds per schedule 3							(71,469)
Total reporting entity (excluding agency funds)							$ 3,577,222

See accompanying notes to financial statement.

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
NOTES TO FINANCIAL STATEMENT
Year Ended June 30, 2021

1 - Municipal Financial Reporting Entity

Santa Fe Trail Unified School District No. 434 (the District) is a municipal corporation governed by an elected seven-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, 2021:

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.

Bond and Interest Fund is used to account for the accumulation of resources for and the payment of interest, principal and related costs on long-term debt.

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 measurements 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 (the KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis 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 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, special purpose funds (unless specifically exempted by statute), and the bond and interest fund. 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.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The District had no budget amendments for the fiscal year ended June 30, 2021.

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 annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and

encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for agency funds or the following special purpose funds: textbook rental, contingency reserve, CARES Act and district activity funds (gate receipts and school projects).

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 County Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property on 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) Annual Personal and Sick Leave Benefits

Under terms of the District's personnel policy, employees are granted vacation and sick leave in varying amounts depending upon employee classification and length of service. All eligible employees accrue sick leave at established rates depending on job classification and number of days worked per year. Vacation is accumulated at the rate of ten to thirty days per year depending upon employee's length of service and classification. Leaves are prorated for part-time employees.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure 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

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.

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 had no investments as of June 30, 2021.

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. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2021, $ 1,731,565 of the District's deposits were unsecured.

4 - In-Substance Receipt in Transit

The District received $ 581,337 subsequent to June 30, 2021, and, as required by K.S.A. 72-7135, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2021.

5 - Long-Term Debt

Changes in long-term liabilities for the District for the year ended June 30, 2021 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
General obligation bonds:									
2013 GO bond issue	1.35-2.35%	05/01/13	$ 4,600,000	09/01/28	$ 3,165,000	$ -	$ 310,000	$ 2,855,000	$ 56,610
Lease purchase agreements:									
Buses - 2		07/01/16	126,350	05/31/21	25,270	-	25,270	-	-
Buses - 1		07/01/17	44,700	06/30/22	17,880	-	8,940	8,940	-
Buses - 20		07/01/17	1,194,875	06/30/22	477,950	-	238,975	238,975	-
Buses - 1		07/01/18	46,225	06/30/23	27,735	-	9,245	18,490	-
VAR Resources	0.00%	04/20/19	215,396	08/02/21	143,597	-	71,799	71,798	-
VAR Resources	0.00%	08/25/18	258,438	08/25/20	86,146	-	86,146	-	-
VAR Resources	7.34%		169,380	08/31/23	-	169,380	59,834	109,546	1,035
First Security Bank	2.42%		275,754	06/15/24	-	275,754	-	275,754	-
Total contractual indebtedness					3,943,578	445,134	810,209	3,578,503	57,645
Early retirement benefits					27,750	22,500	10,050	40,200	-
Total long-term debt					$ 3,971,328	$ 467,634	$ 820,259	$ 3,618,703	$ 57,645

Maturities of long-term debt and interest through maturity are as follows:

	2022	2023	2024	2025	2026	2027-2031	Total
Principal:							
General obligation bonds	$ 320,000	$ 330,000	$ 340,000	$ 350,000	$ 360,000	$ 1,155,000	$ 2,855,000
Lease purchase agreement - Buses - 1	8,940	-	-	-	-	-	8,940
Lease purchase agreement - Buses - 20	238,975	-	-	-	-	-	238,975
Lease purchase agreement - Buses - 1	9,245	9,245	-	-	-	-	18,490
Lease purchase agreement - VAR Resources	71,798	-	-	-	-	-	71,798
Lease purchase - VAR	52,835	56,711	-	-	-	-	109,546
Lease purchase	89,494	91,670	94,590	-	-	-	275,754
Early retirement benefits	11,250	10,200	8,400	6,600	3,300	450	40,200
Total principal	802,537	497,826	442,990	356,600	363,300	1,155,450	3,618,703
Interest:							
General obligation bonds	52,358	47,640	42,193	36,065	29,228	39,849	247,333
Total principal and interest	$ 854,895	$ 545,466	$ 485,183	$ 392,665	$ 392,528	$ 1,195,299	$ 3,866,036

6 - Interfund Transfers

The District made the following interfund transfers during the fiscal year 2021. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	At-risk (4 year-old)	K.S.A. 72-5167	$ 88,645
General	At-risk (K-12)	K.S.A. 72-5167	693,400
General	Virtual education	K.S.A. 72-5167	481
General	Capital outlay	K.S.A. 72-5167	124,260
General	Food service	K.S.A. 72-5167	11
General	Professional development	K.S.A. 72-5167	20,662
General	Special education	K.S.A. 72-5167	1,742,667
General	Career and postsecondary education	K.S.A. 72-5167	57,225
General	Contingency reserve	K.S.A. 72-5167	150,000
Supplemental general	At-risk (4 year-old)	K.S.A. 72-5143	99,478
Supplemental general	At-risk (K-12)	K.S.A. 72-5143	663,078
Supplemental general	Virtual education	K.S.A. 72-5143	14,113
Supplemental general	Professional development	K.S.A. 72-5143	10,000
Supplemental general	Special education	K.S.A. 72-5143	498,923
Supplemental general	Career and postsecondary education	K.S.A. 72-5143	115,459
Supplemental general	Bilingual education	K.S.A. 72-5143	283

7 - 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 16.15% and 14.41%, respectively, for the fiscal year ended June 30, 2020. The actuarially determined employer contribution rate and the statutory contribution rate was 15.59% and 14.23% 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 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.

Net Pension Liability

At June 30, 2021, the District's proportionate share of the collective net pension liability reported by KPERS was $ 9,295,233. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. 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, 2020. 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.

8 - 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, 2021.

10 - Early Retirement Benefits

The District has a plan that provides early retirement benefits to certain eligible employees. To be eligible for early retirement benefits, employees must have been employed by the District for a minimum of fifteen years, must not be age sixty-five or older and must meet one of the following criteria: full retirement qualifications as required by KPERS or acquired eighty-five KPERS retirement points.

Benefits for eligible participants include receiving the longevity payments the employee was eligible for during the last year of employment and the opportunity to remain in the District's group health insurance plan at the employee's cost. These benefits will continue until the participant reaches age sixty-five.

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 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and, on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the District operates. On March 27, 2020, the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the pandemic.

It is unknown how long the adverse conditions associated with the pandemic will last and what the complete financial effect will be to the District. Accordingly, while management cannot quantify the financial and other impacts to the District as of June 30, 2021, management believes that a material impact on the District's financial position and results of future operations is reasonably possible.

13 - Statutory Violations

The District had actual expenditures in excess of budgeted expenditures of $ 212,343 in the Federal grants fund resulting from Federal COVID Funds received and spent during the year which weren't anticipated during the budget process.

SUPPLEMENTARY INFORMATION

Schedule 1

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2021

FUNDS	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General fund	$ 8,732,142	$ (192,517)	$ 86,361	$ 8,625,986	$ 8,625,986	$ -
Supplemental general	2,892,834	(59,491)	85,339	2,918,682	2,918,682	-
Special purpose funds:						
Virtual education	33,800	-	-	33,800	25,375	(8,425)
Career and postsecondary education	159,125	-	-	159,125	130,922	(28,203)
Special education	2,417,998	-	-	2,417,998	2,147,941	(270,057)
Driver training	27,545	-	-	27,545	11,199	(16,346)
Food service	664,470	-	-	664,470	553,685	(110,785)
Capital outlay	1,148,986	-	-	1,148,986	954,751	(194,235)
Extraordinary school program	45,560	-	-	45,560	17,887	(27,673)
KPERS special retirement contribution	1,001,479	-	-	1,001,479	855,981	(145,498)
At-risk (K-12)	1,272,538	-	-	1,272,538	1,164,907	(107,631)
At-risk (4 year-old)	229,175	-	-	229,175	188,481	(40,694)
Professional development	106,434	-	-	106,434	4,070	(102,364)
Gifts and grants	128,628	-	-	128,628	20,584	(108,044)
Federal grant funds	327,773	-	-	327,773	540,116	212,343
Bilingual education	-	-	-	-	-	-
Bond and interest	366,610	-	-	366,610	366,610	-
Totals	$ 19,555,097	$ (252,008)	$ 171,700	$ 19,474,789	$ 18,527,177	

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
State equalization aid	$ 7,329,455	$ 7,109,962	$ (219,493)
State special education aid	1,402,687	1,429,663	26,976
Reimbursements	-	86,361	86,361
Total cash receipts	$ 8,732,142	8,625,986	$ (106,156)
Expenditures, encumbrances, and transfers:			
Instruction	$ 3,320,000	2,862,585	$ (457,415)
Student support services	392,178	417,130	24,952
Instructional support staff	287,826	264,636	(23,190)
General administration	213,926	267,768	53,842
School administration	657,255	614,917	(42,338)
Operations and maintenance	549,133	520,843	(28,290)
Other supplemental services	415,080	410,600	(4,480)
Transportation	473,316	390,156	(83,160)
Transfers to other funds	2,423,428	2,877,351	453,923
Adjustment for qualifying budget credits	86,361		(86,361)
Budget adjustment to comply with legal maximum	(192,517)		192,517
Total expenditures, encumbrances, and transfers	$ 8,625,986	8,625,986	$ -
Cash receipts over expenditures, encumbrances, and transfers		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ -	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	$ 45,049	$ 357	$ (44,692)
Ad valorem current tax	759,435	880,819	121,384
Ad valorem delinquent tax	17,682	24,818	7,136
Motor vehicle tax	149,651	152,386	2,735
Recreational vehicle tax	3,384	3,817	433
Commercial vehicle tax	1,325	-	(1,325)
Supplemental state aid	1,728,468	1,692,922	(35,546)
Reimbursements	-	85,339	85,339
Total cash receipts and transfers	$ 2,704,994	2,840,458	$ 135,464
Expenditures, encumbrances, and transfers:			
Instruction	$ 393,760	403,084	$ 9,324
Student support services	15,000	16,000	1,000
Instructional support staff	47,000	15,991	(31,009)
General administration	53,000	65,277	12,277
Operations and maintenance	678,800	604,699	(74,101)
Other supplemental services	126,100	26,667	(99,433)
Transportation	327,825	385,630	57,805
Transfers to other funds	1,251,349	1,401,334	149,985
Adjustment for qualifying budget credits	85,339		(85,339)
Budget adjustment to comply with legal maximum	(59,491)		59,491
Total expenditures, encumbrances, and transfers	$ 2,918,682	2,918,682	$ -
Cash receipts under expenditures, encumbrances, and transfers		(78,224)	
Unencumbered cash, beginning		187,767	
Unencumbered cash, ending		$ 109,543	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
VIRTUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Reimbursements	$ -	$ 13,541	$ 13,541
Transfer from general fund	-	481	481
Transfer from supplemental general fund	26,056	14,113	(11,943)
Total cash receipts and transfers	$ 26,056	28,135	$ 2,079
Expenditures:			
Instruction	$ 33,800	25,375	$ (8,425)
Cash receipts and transfers over expenditures		2,760	
Unencumbered cash, beginning		7,744	
Unencumbered cash, ending		$ 10,504	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Miscellaneous	$ 10,000	$ -	$ (10,000)
Reimbursements	8,393	-	(8,393)
Transfer from general fund	58,300	57,225	(1,075)
Transfer from supplemental general fund	74,193	115,459	41,266
Total cash receipts and transfers	$ 150,886	172,684	$ 21,798
Expenditures:			
Instruction	$ 141,275	129,569	$ (11,706)
Student transportation	17,850	1,353	(16,497)
Total expenditures	$ 159,125	130,922	$ (28,203)
Cash receipts and transfers over expenditures		41,762	
Unencumbered cash, beginning		8,238	
Unencumbered cash, ending		$ 50,000	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Local revenues	$ 50,000	$ 8,644	$ (41,356)
Federal aid	23,681	23,681	-
Medicaid	40,000	54,519	14,519
Transfer from general fund	1,866,174	1,742,667	(123,507)
Transfer from supplemental general fund	140,000	498,923	358,923
Total cash receipts and transfers	$ 2,119,855	2,328,434	$ 208,579
Expenditures and encumbrances:			
Instruction	$ 2,199,723	2,085,326	$ (114,397)
Student support services	23,820	-	(23,820)
Operations and maintenance	1,500	-	(1,500)
Student transportation services	192,955	62,615	(130,340)
Total expenditures and encumbrances	$ 2,417,998	2,147,941	$ (270,057)
Cash receipts and transfers over expenditures and encumbrances		180,493	
Unencumbered cash, beginning		298,143	
Unencumbered cash, ending		$ 478,636	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
State aid	$ 3,750	$ 2,652	$ (1,098)
Local sources	6,300	9,297	2,997
Total cash receipts	$ 10,050	11,949	$ 1,899
Expenditures:			
Instruction	$ 14,575	8,840	$ (5,735)
Operations and maintenance	12,970	2,359	(10,611)
Total expenditures	$ 27,545	11,199	$ (16,346)
Cash receipts over expenditures		750	
Unencumbered cash, beginning		17,496	
Unencumbered cash, ending		$ 18,246	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
State aid	$ 4,715	$ 6,564	$ 1,849
Federal aid	384,146	665,593	281,447
Local revenues	229,123	34,847	(194,276)
Miscellaneous	15,000	-	(15,000)
Reimbursements	-	1,494	1,494
Transfer from general	5,760	11	(5,749)
Total cash receipts and transfers	$ 638,744	708,509	$ 69,765
Expenditures:			
Food service operation	$ 664,470	553,685	$ (110,785)
Cash receipts and transfers over expenditures		154,824	
Unencumbered cash, beginning		25,728	
Unencumbered cash, ending		$ 180,552	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Ad valorem tax in process	$ 12,886	$ 188	$ (12,698)
Ad valorem current tax	418,277	454,006	35,729
Ad valorem delinquent tax	5,052	8,723	3,671
Motor vehicle tax	58,186	58,059	(127)
Recreational vehicle tax	1,316	1,318	2
Commercial vehicle tax	515	-	(515)
Interest on idle funds	2,000	282	(1,718)
Miscellaneous	7,500	286,614	279,114
State aid	247,164	246,991	(173)
Reimbursements	-	14,660	14,660
Transfer from general fund	-	124,260	124,260
Total cash receipts and transfers	$ 752,896	1,195,101	$ 442,205
Expenditures and encumbrances:			
Instruction equipment	$ 190,000	442,421	$ 252,421
Instructional support equipment	350,000	458,429	108,429
School administration equipment	50,000	36,393	(13,607)
Operations and maintenance	338,986	17,508	(321,478)
Site and building improvements	220,000	-	(220,000)
Total expenditures and encumbrances	$ 1,148,986	954,751	$ (194,235)
Cash receipts and transfers over expenditures and encumbrances		240,350	
Unencumbered cash, beginning		396,584	
Unencumbered cash, ending		$ 636,934	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
EXTRAORDINARY SCHOOL PROGRAM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Fees	$ 35,000	$ 7,329	$ (27,671)
Expenditures:			
Instruction	$ 45,560	17,887	$ (27,673)
Cash receipts under expenditures		(10,558)	
Unencumbered cash, beginning		10,558	
Unencumbered cash, ending		$ -	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
State aid	$ 1,001,479	$ 855,945	$ (145,534)
Expenditures:			
Instruction	$ 648,460	554,248	$ (94,212)
Student support services	70,101	59,916	(10,185)
Instructional support staff	30,045	25,681	(4,364)
General administration	30,046	25,681	(4,365)
School administration	80,119	68,480	(11,639)
Other support services	30,046	25,681	(4,365)
Operations and maintenance	60,086	51,356	(8,730)
Student transportation	2,503	2,139	(364)
Food service operations	50,073	42,799	(7,274)
Total expenditures	$ 1,001,479	855,981	$ (145,498)
Cash receipts under expenditures		(36)	
Unencumbered cash, beginning		36	
Unencumbered cash, ending		$ -	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
AT-RISK FUND (K-12)
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	$ 268,988	$ 693,400	$ 424,412
Transfer from supplemental general fund	995,845	663,078	(332,767)
Total transfers	$ 1,264,833	1,356,478	$ 91,645
Expenditures and encumbrances:			
Instruction	$ 1,272,538	1,164,907	$ (107,631)
Transfers over expenditures and encumbrances		191,571	
Unencumbered cash, beginning		7,704	
Unencumbered cash, ending		$ 199,275	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
AT-RISK FUND (4 YEAR-OLD)
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Local revenues	$ 60,000	$ 47,616	$ (12,384)
Transfer from general fund	166,432	88,645	(77,787)
Transfer from supplemental general fund	-	99,478	99,478
Total cash receipts and transfers	$ 226,432	235,739	$ 9,307
Expenditures and encumbrances:			
Instruction	$ 164,375	185,511	$ 21,136
Student transportation services	64,800	2,970	(61,830)
Total expenditures and encumbrances	$ 229,175	188,481	$ (40,694)
Cash receipts and transfers over expenditures and encumbrances		47,258	
Unencumbered cash, beginning		2,742	
Unencumbered cash, ending		$ 50,000	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
State aid	$ 13,098	$ 10,086	$ (3,012)
Reimbursements	-	14,849	14,849
Transfer from general fund	57,774	20,662	(37,112)
Transfer from supplemental general fund	15,255	10,000	(5,255)
Total cash receipts and transfers	$ 86,127	55,597	$ (30,530)
Expenditures and encumbrances:			
Instructional support staff	$ 55,934	16,042	$ (39,892)
Other support services	50,500	(11,972)	(62,472)
Total expenditures and encumbrances	$ 106,434	4,070	$ (102,364)
Cash receipts and transfers over expenditures and encumbrances		51,527	
Unencumbered cash, beginning		20,308	
Unencumbered cash, ending		$ 71,835	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Contributions	$ 45,000	$ 19,288	$ (25,712)
Local Sources	10,000	80,829	70,829
Total cash receipts	$ 55,000	100,117	$ 45,117
Expenditures and encumbrances:			
Instruction	$ 128,628	9,508	$ (119,120)
Instructional support staff	-	11,076	11,076
Total expenditures and encumbrances	$ 128,628	20,584	$ (108,044)
Cash receipts over expenditures and encumbrances		79,533	
Unencumbered cash, beginning		73,629	
Unencumbered cash, ending		$ 153,162	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
FEDERAL GRANT FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Title I	Title II A	Title V	COVID Relief	Total Actual	Budget	Variance - Over (Under)
Cash receipts:							
Federal aid	$ 181,484	$ 31,141	$ 16,491	$ 330,000	$ 559,116	$ 229,116	$ 330,000
Expenditures and encumbrances:							
Instruction	181,484	9,163	16,491	-	207,138	$ 219,473	$ (12,335)
Instructional support staff	-	2,978	-	-	2,978	54,000	(51,022)
Operations and maintenance	-	-	-	330,000	330,000	54,300	275,700
Total expenditures and encumbrances	181,484	12,141	16,491	330,000	540,116	$ 327,773	$ 212,343
Cash receipts over expenditures and encumbrances	-	19,000	-	-	19,000		
Unencumbered cash, beginning	-	(19,000)	-	-	(19,000)		
Unencumbered cash, ending	$ -	$ -	$ -	$ -	$ -		

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Transfer from supplemental general fund	$ -	$ 283	$ 283
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ 283	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	$ 5,979	$ 122	$ (5,857)
Ad valorem current tax	270,563	292,191	21,628
Ad valorem delinquent tax	2,346	3,789	1,443
Motor vehicle tax	21,845	22,037	192
Recreational vehicle tax	494	553	59
Commercial vehicle tax	194	-	(194)
State aid	190,637	190,196	(441)
Total cash receipts	$ 492,058	508,888	$ 16,830
Expenditures:			
Principal	$ 310,000	310,000	$ -
Interest expense	56,610	56,610	-
Total expenditures	$ 366,610	366,610	$ -
Cash receipts over expenditures		142,278	
Unencumbered cash, beginning		421,118	
Unencumbered cash, ending		$ 563,396	

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
TEXTBOOK RENTAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Cash receipts:		
Reimbursements	$	33,927
Fees		88,826
Total cash receipts		122,753
Expenditures and encumbrances:		
Instruction		17,280
Cash receipts over expenditures and encumbrances		105,473
Unencumbered cash, beginning		15,183
Unencumbered cash, ending	$	120,656

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Transfer from general fund	$	150,000
Unencumbered cash, beginning		150,101
Unencumbered cash, ending	$	300,101

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
CARES ACT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Expenditures:		
CARES Act expenditures	$	117,657
Unencumbered cash, beginning		117,657
Unencumbered cash, ending	$	-

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
STUDENT ORGANIZATION FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
Year Ended June 30, 2021

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Balance, June 30
High School:				
Art Club	$ 1,151	$ -	$ 203	$ 948
Band boosters	678	571	1,133	116
Bovay tech fund	147	-	147	-
Cheerleaders	4,075	11,590	7,297	8,368
Class of 2020	659	-	659	-
Class of 2021	1,498	694	2,192	-
Class of 2022	1,538	2,226	1,774	1,990
Class of 2023	651	579	-	1,230
Class of 2024	-	917	-	917
Debate/forensics	304	308	527	85
Drama	82	-	-	82
Drill team	816	5,596	4,514	1,898
FACS/BCBS	1,000	-	-	1,000
FBLA	651	708	788	571
Green team	3,250	1,369	2,729	1,890
KAYS	3,207	440	1,220	2,427
Kitchen	230	-	-	230
Memorial funds	2,946	18,802	6,331	15,417
Miscellaneous	308	131	285	154
National honor society	3,752	475	2,087	2,140
Sales tax	240	5,107	4,589	758
Scholar's bowl	182	-	-	182
Scholarships	-	2,730	-	2,730
Student council	9,706	13,782	15,982	7,506
Students in need	2,339	-	102	2,237
Trap team	2,055	-	-	2,055
Thunderstruck spirit club	3,798	2,921	4,195	2,524
Trail pride	539	-	25	514
Vocal music	825	117	-	942
Subtotal High School	46,627	69,063	56,779	58,911
Overbrook Attendance Center:				
Sales tax	2	-	2	-
Book club	827	1,144	787	1,184
Subtotal Overbrook Attendance Center	$ 829	$ 1,144	$ 789	$ 1,184

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
STUDENT ORGANIZATION FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Balance, June 30
Carbondale Attendance Center:				
Cheerleaders	$ 36	$ -	$ 34	$ 2
FCA	272	-	-	272
FBLA-jr.	296	1,297	1,009	584
Gifted	100	-	-	100
Just say no club	955	-	955	-
K.C.'s fitness	1,132	-	-	1,132
Pep club	628	17	511	134
Principal's fund	314	137	203	248
Sales tax	10	813	606	217
Scholarships	300	-	-	300
Science/ecology club	185	-	185	-
Student council	5,045	1,392	3,042	3,395
Technology	-	845	845	-
Theatre	3	-	3	-
6th grade store	1,750	-	219	1,531
7th grade	282	-	-	282
8th grade	4,331	150	1,304	3,177
Subtotal Carbondale Attendance Center	15,639	4,651	8,916	11,374
Total all funds	$ 63,095	$ 74,858	$ 66,484	$ 71,469

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
GATE RECEIPTS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2021

Funds	Balance, July 1	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Balance, June 30
Gate receipts:							
Carbondale Attendance Center	$ (604)	$ -	$ 6,395	$ 5,650	$ 141	$ -	$ 141
High School	11,075	-	58,855	58,601	11,329	-	11,329
Total gate receipts	$ 10,471	$ -	$ 65,250	$ 64,251	$ 11,470	$ -	$ 11,470

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2021

Funds	Balance, July 1	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Balance, June 30
School projects:							
Carbondale Attendance Center:							
Book fairs	$ 2,513	$ -	$ 5,878	$ 5,853	$ 2,538	$ -	$ 2,538
Enrollment fees/textbooks	205	-	12,676	12,881	-	-	-
Fire funds	223	-	-	-	223	-	223
Lunch account	190	-	6,006	5,825	371	-	371
Pencils	497	-	-	495	2	-	2
Fund raisers	7,044	-	1,799	4,156	4,687	-	4,687
P.E. funds	1,956	-	24	-	1,980	-	1,980
School pictures	2,834	-	83	183	2,734	-	2,734
Student supplies	1,604	-	1,280	2,614	270	-	270
Yearbook	2,850	-	1,574	950	3,474	-	3,474
Subtotal Carbondale Attendance Center	19,916	-	29,320	32,957	16,279	-	16,279
Overbrook Attendance Center:							
Book fairs	384	-	2,811	2,811	384	-	384
Enrollment fees/textbooks	40	-	9,097	9,137	-	-	-
Library	82	-	171	29	224	-	224
Lunch account	452	-	7,295	7,710	37	-	37
Miscellaneous	1	-	-	-	1	-	1
Overbrook staff	187	-	275	308	154	-	154
Principal's booster club	1,825	-	-	1,245	580	-	580
School fund	12,603	-	100	3,960	8,743	-	8,743
Yearbooks	3,136	-	458	872	2,722	-	2,722
Subtotal Overbrook Attendance Center	$ 18,710	$ -	$ 20,207	$ 26,072	$ 12,845	$ -	$ 12,845

(Continued)

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Funds	Balance, July 1	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Balance, June 30
High School:							
Charger shop	$ 2,487	$ -	$ 1,321	$ 420	$ 3,388	$ -	$ 3,388
Chromebook fee	237	-	6,210	6,357	90	-	90
Enrollment fees/textbooks	3,642	-	13,610	16,612	640	-	640
Ice cream	166	-	-	166	-	-	-
Library	556	-	83	67	572	-	572
Lunch account	486	-	10,177	10,681	(18)	-	(18)
Renaissance	478	-	2,466	1,823	1,121	-	1,121
Science department	369	-	-	-	369	-	369
Special services fund	675	-	-	322	353	-	353
Student supplies	4,776	-	2,767	3,685	3,858	-	3,858
Summer school	-	-	-	-	-	-	-
Yearbooks	4,961	-	6,176	4,279	6,858	-	6,858
Subtotal High School	18,833	-	42,810	44,412	17,231	-	17,231
Total School Project Funds	$ 57,459	$ -	$ 92,337	$ 103,441	$ 46,355	$ -	$ 46,355

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Unencumbered Cash Balance July 1, 2020	Amount Received	Disbursements, Accounts Payable and Encumbrances	Transfers	Prior-Year Canceled Encumbrances	Unencumbered Cash Balance June 30, 2021
United States Department of Agriculture:							
Passed through Kansas State Department of Education:							
Child Nutrition Cluster:							
COVID-19 - National School Lunch Program	10.555	$ -	$ 164,744	$ 164,744	$ -	$ -	$ -
Special Milk Program for Children	10.556	-	1,402	1,402	-	-	-
Summer Food Service Program for Children (SFSP)	10.559	-	499,447	499,447	-	-	-
Total Child Nutrition Cluster		-	665,593	665,593	-	-	-
Total United States Department of Agriculture		-	665,593	665,593	-	-	-
United States Department of Treasury:							
Passed through Osage County, Kansas:							
COVID-19 - Coronavirus Relief Fund	21.019	-	330,000	330,000	-	-	-
United States Department of Education:							
Passed through Kansas State Department of Education:							
Title I, Grants to Local Education Agencies	84.010	-	181,484	181,484	-	-	-
Supporting Effective Instruction State Grants	84.367	(19,000)	31,141	12,141	-	-	-
Student Support and Academic Enrichment Program	84.424	-	16,491	16,491	-	-	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	-	23,681	23,681	-	-	-
Total United States Department of Education		(19,000)	252,797	233,797	-	-	-
United States Department of Health and Human Services							
Passed through Kansas State Department of Education:							
477 Cluster:							
Temporary Assistance for Needy Families (TANF) - Early Learning Kansans	93.558	-	21,366	21,366	-	-	-
Total federal awards		$ (19,000)	$ 1,269,756	$ 1,250,756	$ -	$ -	$ -

See accompanying notes to schedule of expenditures of federal awards.

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2021

1 - General

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Santa Fe Trail Unified School District No. 434 (the District) under programs of the federal government for the year ended June 30, 2021. 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 basic 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 - Basis of Accounting

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 expenditures on the Schedule are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

SANTA FE TRAIL UNIFIED SCHOOL DISTRICT NO. 434
SCRANTON, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

Section I - Summary of 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 noted:	None

Federal Awards

Type of auditors' report issued on compliance for major program:	Unmodified
Internal control over major program:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None Reported
Audit 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
10.555, 10.556, 10.559	Child Nutrition Cluster

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

(Continued)

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

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 A FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
Santa Fe Trail Unified School District No. 434:

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 the Santa Fe Trail Unified School District No. 434 (the District) which comprises the summary statement of regulatory basis receipts, expenditures and unencumbered cash as of June 30, 2021 and the related notes to the financial statement and have issued our report thereon dated November 16, 2021. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

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 statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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.

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.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BT&Co., P.A.

November 16, 2021
Topeka, Kansas

BT & Co. P.A.
Certified Public Accountants

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

Board of Education
Santa Fe Trail Unified School District No. 434:

Report on Compliance for Each Major Federal Program

We have audited the Santa Fe Trail Unified School District No. 434's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2021. The District's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program 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 Regulation* 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 the 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 its major federal program for the year ended June 30, 2021.

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.

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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

BT&Co., P.A.

November 16, 2021
Topeka, Kansas