



Certified Public Accountants

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
REGULATORY BASIS
YEAR ENDED JUNE 30, 2020

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS

Year Ended June 30, 2020

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INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 453
Leavenworth, Kansas

Report on the Financial Statement

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 453 Leavenworth, Kansas (the District) as of and for the year ended June 30, 2020 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; 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 *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on 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 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.

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.

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

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

Other Matters

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 Regulation* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects; in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 8, 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 District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Matter

The prior year actual column presented in the individual fund financial schedules of regulatory basis receipts and expenditures-actual and budget (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.

The District's basic financial statement for the year ended June 30, 2019 (not presented herein), was audited by other auditors whose report dated March 20, 2020, expressed an unmodified opinion on the basic financial statement. The 2019 basic financial statement and the other auditor's report are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipal-services>. The report of the other auditors dated March 20, 2020, stated that the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2019 was subjected to the auditing procedures applied in the audit of the 2019 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 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2019, on the basis of accounting described in Note 1.

BT&Co., P.A.

March 8, 2021
Topeka, Kansas

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2020

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental type funds:							
General	\$ 17,853	\$ 17,594	\$ 26,022,591	\$ 26,040,444	\$ 17,594	\$ 2,301,797	\$ 2,319,391
Supplemental general	401,161	28,354	7,718,574	7,731,993	416,096	383,211	799,307
Special purpose funds:							
Capital outlay	10,680,295	5,433	2,788,249	1,598,427	11,875,550	76,182	11,951,732
Drivers education	214,719	-	26,945	16,546	225,118	-	225,118
Food service	348,008	-	1,550,669	1,745,001	153,676	21,309	174,985
Professional development	4,064	-	51,242	54,039	1,267	27,601	28,868
Parent education	18,692	-	265,995	266,199	18,488	3,583	22,071
Special education	2,118,364	1,055	6,965,151	7,339,842	1,744,728	719,103	2,463,831
At-risk K-12	304,748	-	3,992,740	3,941,745	355,743	168,017	523,760
At-risk 4 yr. old	-	-	256,829	256,829	-	25,837	25,837
Career and postsecondary education	87,320	-	563,431	571,125	79,626	57,255	136,881
Virtual education	361,674	-	421,925	460,551	323,048	18,476	341,524
KPERS retirement contribution	-	-	3,953,720	3,953,720	-	-	-
Bilingual education	1	-	117,109	117,109	1	19,406	19,407
Textbook rental	491,831	2,252	197,749	243,200	448,632	-	448,632
Contingency reserve	1,940,043	-	-	-	1,940,043	-	1,940,043
Federal funds	(193,143)	14,960	2,424,178	2,391,383	(145,388)	266,946	121,558
Grant funds	41,260	6,531	543,162	542,573	48,380	44,255	92,635
Gate receipts	-	-	50,470	50,470	-	-	-
School projects	50,565	-	62,053	63,778	48,840	-	48,840
Bond and interest fund:							
Bond and interest	8,125,117	-	7,159,290	6,663,925	8,620,482	-	8,620,482
Capital project fund:							
Bond construction	34,233,356	166,671	311,044	18,413,575	16,297,496	1,767,231	18,064,727
Trust fund:							
Private purpose trust funds	246,436	-	5,282	5,000	246,718	-	246,718
Total reporting entity (excluding agency fund)	\$ 59,492,364	\$ 242,850	\$ 65,448,398	\$ 82,467,474	\$ 42,716,138	\$ 5,900,209	\$ 48,616,347

(Continued)

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)
Year Ended June 30, 2020

	Ending Cash Balance
Composition of cash;	
Checking	\$ 372,776
Checking - activity accounts	275,654
Petty cash	3,030
Scholarship savings	246,718
Municipal investment pool	47,944,983
Total cash	48,843,161
Less agency funds (Schedule 3)	(226,814)
Total reporting entity (excluding agency funds)	\$ 48,616,347

See accompanying notes to financial statement.

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
Year Ended June 30, 2020

1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 453, Leavenworth, (the District) is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 453, Leavenworth (the primary government). There are no related municipal entities presented.

Reimbursed Expenses

Certain expenditures are classified as reimbursed expenses. The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934. The following expenditures are classified as reimbursed expenses for the year ended June 30, 2020:

General fund	\$ 519,338
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Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. The reimbursements in the General Fund are shown in the General Fund Schedule of Cash Receipts and Expenditures - Actual and Budget as Reimbursed expenses of \$ 519,338. All reimbursed expenses shown in the financial statement and related schedules 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.

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 receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

UNIFIED SCHOOL DISTRICT NO. 453
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NOTES TO THE FINANCIAL STATEMENT
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Cash and Investments

Cash consists of checking accounts, savings accounts, and certificates of deposit. Certificates of deposit are carried at cost, which approximates market value. See Note 3 for additional cash information.

Investments consist of deposits in the State Municipal Investment Pool (MIP). These investments are carried at cost. See Note 3 for additional investment information.

Cash balances in all funds are considered in determining the amount to be invested and further, unless specifically designated, all investment income is credited to the capital outlay fund.

Fund Descriptions

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

The following regulatory fund types comprise the financial activities of the District for the year ended June 30, 2020:

- a. *General Fund and Supplemental General Fund* - used to account for all resources except those required to be accounted for in another fund.
- b. *Special Purpose Funds* - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than capital project and tax levies for long-term debt) that are intended for specified purposes.
- c. *Bond and Interest Fund* - used to account for the accumulation of resources, including tax levies, transfer from other funds and payment of general long-term debt.
- d. *Capital Project Fund* - used to account for debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.
- e. *Trust Fund* - used to report assets held in trust for the benefit of the District - scholarship funds.
- f. *Agency Fund* - funds used to report assets held by the District in a purely custodial capacity.

2 - Stewardship, Compliance, and Accountability

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and 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:

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NOTES TO THE FINANCIAL STATEMENT
(Continued)

- i. Preparation of the budget for the succeeding year on or before August 1st.
- ii. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on budget.
- iii. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- iv. Adoption of the final budget on or before August 25th.

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

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 regulatory receipts 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 Capital Project Fund, Trust Fund, and the following special purpose funds:

Textbook Rental Fund, Contingency Reserve Fund, 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 District.

Compliance with Finance-Related Legal and Contractual Provisions

The District violated K.S.A. 79-2935 by spending in excess of budgeted limits by \$872 in the Career and Postsecondary Education Fund. Management is aware of no other statutory violations for the period covered by the audit.

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LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments

As of June 30, 2020, the District had the following investments:

Investment Type	Fair Value of Investment Maturities Less Than 1 Year	Rating
Kansas Municipal Investment Pool	\$ 47,944,983	N/A
Total	\$ 47,944,983	

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 bank 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's allocation of investments as of June 30, 2020, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

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. All deposits were legally secured at June 30, 2020.

At June 30, 2020, the District's carrying amount of deposits was \$ 898,178 and the bank balance was \$ 1,301,254. Of the bank balance, \$ 785,011 was covered by federal depository insurance, and the remaining \$ 516,243 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

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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, 2020, the District had invested \$46,597,602 in the State's municipal investment pool. The District's carrying amount of these investments was \$47,944,983. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreement with Kansas banks or with primary government securities dealers.

4 - Interfund Transfers

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General	Bilingual Education	K.S.A. 72-5167	\$ 98,552
General	Virtual Education	K.S.A. 72-5167	420,000
General	Special Education	K.S.A. 72-5167	3,744,601
General	Career and Postsecondary Education	K.S.A. 72-5167	443,329
General	Professional Development	K.S.A. 72-5167	43,731
General	Textbook rental	K.S.A. 72-5167	160,000
General	At Risk 4 Year Old	K.S.A. 72-5167	256,829
General	At Risk K-12	K.S.A. 72-5167	2,918,766
Supplemental General	Bilingual Education	K.S.A. 72-5143	18,557
Supplemental General	At Risk K-12	K.S.A. 72-5143	1,073,974
Supplemental General	Parent Education	K.S.A. 72-5143	59,201
Supplemental General	Special Education	K.S.A. 72-5143	1,926,230

5 - Long-Term Debt

In December 2012, the District issued general obligation refunding bonds in the amount of \$ 9,960,000 for the purpose of redeeming and paying a portion of the District's outstanding general obligation bonds Series 2008A and 2009A. The Series 2012 bonds bear interest from 2.00% to 3.50% and mature annually from September 2020 through September 2029.

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NOTES TO THE FINANCIAL STATEMENT
(Continued)

In July 2014, the District issued general obligation refunding bonds in the amount of \$ 9,995,000, for the purpose of redeeming and paying a portion of the District's outstanding general obligation bonds Series 2008A and 2009A. The Series 2014 bonds bear interest from 2.00% to 4.00% and mature annually from September 2020 through September 2024, and September 2026 and September 2029.

In March 2015, the District issued general obligation refunding bonds in two series in the amounts of \$ 20,475,000 and \$ 2,055,000. These bonds were issued for the purpose of redeeming and paying a portion of the District's outstanding general obligation bonds Series 2005, 2008A, and 2009A. The Series 2015A bonds bear interest from 2.00% to 5.00% and mature semi-annually from September 2020 through September 2029.

In October 2016, the District issued General Obligation Refunding Bonds, Series 2016, in the amount of \$ 3,805,000 for the purpose of redeeming and paying a portion of the District's outstanding general obligation bonds Series 2009A. The Series 2016 bonds bear interest at 2.00% and mature semi-annually from September 2020 through September 2025.

In August 2018, the District issued general obligation improvement and refunding bonds in the amount of \$ 36,765,000. Series 2018B in the amount of \$ 5,000 was used September 1, 2018 to refund a portion of the 2016 bonds. Series 2018A bonds were issued in the amount of \$ 36,760,000 with the purpose of financing capital improvements to the District's facilities used in connection with the District's delivery of educational services to the public. The Series 2018 bonds bear interest at 3.5% to 5.5% and mature annually from September 2030 to September 2038.

In March 2020, the District issued General Obligation Refunding Bonds, Series 2020, in the amount of \$ 7,635,000 for the purpose of redeeming and paying a portion of the District's outstanding general obligation bonds Series 2012. The bonds to be refunded represent Series 2012 bonds maturing on September 2025 through September 2029 (\$7,145,000).

The District has defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account's assets and the liabilities for the defeased bonds are not included in the District's financial statement. At June 30, 2020, \$ 7,145,000 of the bonds that are considered defeased remain outstanding.

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LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
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Schedule of changes in long-term debt:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Refunded	Reductions/ Payments	Balance End of Year	Interest Paid
Series 2009A	2.5%-5.125%	Feb. 2009	\$ 37,838,205	-	\$ 2,275,000	\$ -	\$ -	\$ 2,275,000	\$ -	\$ 77,625
Series 2012	2.0%-3.5%	Dec. 2012	9,960,000	9/1/2024	9,180,000	-	7,145,000	125,000	1,910,000	292,075
Series 2014	2.0%-4.0%	July 2014	9,995,000	9/1/2029	9,385,000	-	-	100,000	9,285,000	319,475
Series 2015	2.0%-4.0%	April 2015	22,530,000	9/1/2029	19,585,000	-	-	1,195,000	18,390,000	695,850
Series 2016	2.0%-4.0%	October 2016	3,805,000	9/1/2025	3,685,000	-	-	40,000	3,645,000	73,500
Series 2018A	3.5%-5.5%	August 2018	36,760,000	9/1/1938	36,760,000	-	-	-	36,760,000	1,470,400
Series 2020	2.05%	March 2020	7,635,000	9/1/2025	-	7,635,000	-	-	7,635,000	-
Total long-term debt					<u>\$ 80,870,000</u>	<u>\$ 7,635,000</u>	<u>\$ 7,145,000</u>	<u>\$ 3,735,000</u>	<u>\$ 77,625,000</u>	<u>\$ 2,928,925</u>

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
(Continued)

	Year Ended June 30,								
	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2040	Total
Principal:									
General obligation bonds:									
Series 2012	\$ 125,000	\$ 130,000	\$ 130,000	\$ 750,000	\$ 775,000	\$ -	\$ -	\$ -	\$ 1,910,000
Series 2014	100,000	595,000	630,000	1,420,000	3,145,000	3,395,000	-	-	9,285,000
Series 2015	2,220,000	2,720,000	2,265,000	930,000	125,000	10,130,000	-	-	18,390,000
Series 2016	45,000	45,000	50,000	50,000	1,740,000	1,715,000	-	-	3,645,000
Series 2018A	-	-	-	-	-	-	18,815,000	17,945,000	36,760,000
Series 2020	530,000	1,415,000	1,360,000	1,205,000	1,205,000	1,920,000	-	-	7,635,000
Total principal	3,020,000	4,905,000	4,435,000	4,355,000	6,990,000	17,160,000	18,815,000	17,945,000	77,625,000
Interest:									
General obligation bonds:									
Series 2012	52,200	49,650	47,050	34,500	11,625	-	-	-	195,025
Series 2014	316,475	306,050	289,250	263,625	190,838	392,100	-	-	1,758,338
Series 2015	650,775	577,950	453,150	353,150	327,700	857,100	-	-	3,219,825
Series 2016	72,650	71,750	70,850	69,850	68,850	17,150	-	-	371,100
Series 2018A	1,470,400	1,470,400	1,470,400	1,470,400	1,470,400	7,352,000	5,529,300	1,470,900	21,704,200
Series 2020	140,216	131,149	92,313	58,522	39,603	15,072	-	-	476,875
Total interest	2,702,716	2,606,949	2,423,013	2,250,047	2,109,016	8,633,422	5,529,300	1,470,900	27,725,363
Total principal and interest	\$ 5,722,716	\$ 7,511,949	\$ 6,858,013	\$ 6,605,047	\$ 9,099,016	\$ 25,793,422	\$ 24,344,300	\$ 19,415,900	\$ 105,350,363

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
(Continued)

6 - Contingencies

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

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. These risks are covered by commercial insurance purchased from independent third parties. There has been no significant change in insurance coverage from the previous fiscal year.

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 Comprehensive Annual 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 establishes 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 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 1.0% contribution rate for the Death and Disability Program) was 16.15% and 14.41% respectively, for the fiscal year ended June 30, 2020.

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LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
(Continued)

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$ 64.13 million for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$ 6.4 million dollars per year. The first-year payment of \$ 6.4 million was received in July 2017 and appropriations for fiscal year 2018 were made for the State/School group at the statutory contribution rate of 12.01% for that year.

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

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$3,953,720 for the year ended June 30, 2020.

Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 34,523,180. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year end June 30, 2019. 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.

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
(Continued)

8 - Commitments

The District has entered into the following operating leases:

The District signed a 62-month lease in July 2014 for 39 copy machines and 25 printers through Unisource, Inc. The operating lease calls for base monthly rents based upon usage. During the year ended June 30, 2020 the District paid \$ 105,960 on this lease. The District renewed a 32-month lease in November 2018 through Unisource, Inc.

The District signed a 60-month lease in August 2017 with Unisource, Inc. for 1 copy machine. This operating lease calls for a base monthly rent based upon usage. During the year ended June 30, 2020 the District paid \$ 3,168 on this lease.

The total future minimum required operating lease payments are as follows for the year ended June 30, 2020:

2021	\$ 198,416
2022	<u>109,366</u>
Total	<u>\$ 307,782</u>

On April 23, 2015, the District entered into a 36-month lease agreement with Kansas City Kansas Community College (the College) for use as a technical education center, with the option to renew at the end of the lease. Rent payments have been abated as long as the College grants admission to students who are enrolled in the District without requiring payment of any tuition or fees, for technical education courses offered at the education center. The District renewed a 12-month lease agreement in June 2020 with the College.

9 - Compensated Absences

Administrative compensation absence days accrue 12 per school year, with a maximum of 115 days. Administrators are paid at the rate of \$80 per day for days over the maximum of 115 days. Classified employees compensated absence days accrue at 12 per school year, with a maximum of 108 days. Classified employees are paid at the rate of \$25 per day for days over the maximum of 108 days. Teachers compensated absence days accrue at 10 per school year, with a maximum of 100 days. Teachers are paid at the rate of \$70 per day for days over the maximum of 100 days. Payment is made during the fiscal year. The District has not determined the liability for the carryover days, if any; however, management feels such liability would be immaterial in amount.

10 - Other Long-Term Obligations

Any eligible teacher who is retiring under the Kansas Public Employees Retirement Systems may elect to take the District retirement incentive. Under this plan the benefit shall be 15% of the teacher's base salary for the final year of employment. Beginning July 1, 2009, the benefit

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
(Continued)

shall be the lesser of a factor of 15% of the teacher's base salary for the final year of employment or \$ 8,000 per year. The benefit shall be paid annually in January from ages 57 to 61 of the eligible teacher.

Additionally, a teacher who elects the District early retirement, and who has participated in the District health insurance plan during the year of retirement, may elect to continue to participate in the health insurance plan until the age of 65. Under this plan the amount of the benefit will be equal to the amount of the defined health insurance benefit paid to the employed teacher. Beginning July 1, 2009, the amount of the benefit will be \$ 350 per month. Thus, retired teachers will be responsible for the payment of any excess premiums due under the policy.

The plan is not funded and is based on pay-as-you-go financing. During the year ended June 30, 2020, the District paid \$ 42,031 on this plan. The District has not determined the liability for early retirement benefits, if any; however, management feels such liability would be immaterial in amount.

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 of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the 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.

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

11 - Litigation

The District is a party to various claims, none of which are expected to have a material financial impact on the District.

12 - In-Substance Receipt in Transit

The District received \$ 1,037,346 in the General Fund and \$ 310,035 in the Supplemental General Fund, subsequent to June 30, 2020 and as required by K.S.A. 72-6417 and 72-6434 the receipts were recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2020.

UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
NOTES TO THE FINANCIAL STATEMENT
(Continued)

13 - Capital Projects

Capital project authorizations with approved change orders compared with cash disbursements from inception are as follows:

	<u>Project Authorizations</u>	<u>Cash Disbursements</u>
Lawson Elementary	\$ 7,755,778	\$ 916,094
Leavenworth High School	2,769,258	535,625
Warren Education Campus	24,136,677	19,044,035

14 - 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, 2020, management believes that a material impact on the District's financial position and results of future operations is reasonably possible.

15 - Subsequent Event

In March 2021, the District issued General Obligation Refunding Bonds, Series 2021, in the amount of \$ 21,805,000 for the purpose of redeeming and paying a portion of the District's outstanding general obligation bonds Series 2012, Series 2014, and Series 2018. The bonds to be refunded represent Series 2012 bonds maturing on 9/1/2023 through 9/1/2024 (\$1,525,000); Series 2014 bonds maturing on 9/1/2026 through 9/1/2029 (\$3,395,000); Series 2018 bonds maturing on 9/1/2036 through 9/1/2038 (\$ 13,720,000). The proceeds of the Series 2021 bonds have been placed in an irrevocable trust escrow account. The proceeds of the Series 2021 bonds will be used on 9/1/2021 through 9/1/2026 to refund Series 2012, Series 2014, and Series 2018 bonds referenced above. In addition, interest due on the Series 2012, Series 2014, and Series 2018 refunded bonds from 9/1/2021 through 9/1/2026 will be paid from the proceeds of the 2021 bonds.

SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment to Qualifying Budget Credits	Total Budget for Comparisons	Expenditures Chargeable to Current Year	Variance Over (Under)
General	\$ 26,413,851	\$ (892,745)	\$ 519,338	\$ 26,040,444	\$ 26,040,444	\$ -
Supplemental general	7,959,674	(227,681)	-	7,731,993	7,731,993	-
Special purpose funds:						
Capital outlay	6,500,000	-	-	6,500,000	1,598,427	(4,901,573)
Drivers education	58,960	-	-	58,960	16,546	(42,414)
Food service	2,256,380	-	-	2,256,380	1,745,001	(511,379)
Professional development	54,064	-	-	54,064	54,039	(25)
Parent education	284,950	-	-	284,950	266,199	(18,751)
Special education	8,218,840	-	-	8,218,840	7,339,842	(878,998)
At risk K-12	4,478,035	-	-	4,478,035	3,941,745	(536,290)
At risk 4 year old	262,000	-	-	262,000	256,829	(5,171)
Career and postsecondary education	570,253	-	-	570,253	571,125	872
Virtual education	545,851	-	-	545,851	460,551	(85,300)
KPERS retirement contribution	4,499,732	-	-	4,499,732	3,953,720	(546,012)
Bilingual education	120,300	-	-	120,300	117,109	(3,191)
Federal funds	2,588,612	-	-	2,588,612	2,391,383	(197,229)
Bond and interest fund	6,663,928	-	-	6,663,928	6,663,925	(3)
Totals	<u>\$ 71,475,430</u>	<u>\$ (1,120,426)</u>	<u>\$ 519,338</u>	<u>\$ 70,874,342</u>	<u>\$ 63,148,878</u>	

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

GENERAL FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
State aid:				
Equalization aid	\$20,705,707	\$21,709,791	\$21,838,697	\$ (128,906)
Special education services	4,144,447	3,744,601	4,504,800	(760,199)
Federal aid:				
PL-382 impact aid	119,207	48,861	52,500	(3,639)
Reimbursed expenses	525,686	519,338	-	519,338
Total cash receipts	25,495,047	26,022,591	\$26,395,997	\$ (373,406)
Expenditures, encumbrances and transfers:				
Instruction	5,796,985	7,252,000	\$ 6,231,906	\$ 1,020,094
Student support services	1,692,135	1,650,055	1,795,968	(145,913)
Instructional support staff	490,443	495,048	505,420	(10,372)
General administration	793,282	758,353	892,591	(134,238)
School administration	1,678,043	1,783,179	1,896,669	(113,490)
Central services	883,348	848,502	1,008,102	(159,600)
Operations and maintenance	4,390,905	4,599,763	4,679,368	(79,605)
Student transportation services	615,166	485,948	645,921	(159,973)
Other support services	114,562	81,788	-	81,788
Transfers out	9,048,736	8,085,808	8,757,906	(672,098)
Adjustment to comply with legal max			(892,745)	892,745
Legal general fund budget	25,503,605	26,040,444	25,521,106	519,338
Adjustment for qualifying budget credits:				
Reimbursements			519,338	(519,338)
Total expenditures, encumbrances and transfers	25,503,605	26,040,444	\$26,040,444	\$ -
Cash receipts under expenditures, encumbrances and transfers	(8,558)	(17,853)		
Prior year canceled encumbrances	17,853	17,594		
Unencumbered cash, beginning of year	8,558	17,853		
Unencumbered cash, end of year	\$ 17,853	\$ 17,594		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

SUPPLEMENTAL GENERAL FUND

	Prior Year	Current Year		Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts:				
Taxes and shared revenue:				
Ad valorem property - taxes in process	\$ 2,556,879	\$ 2,529,117	\$ 2,593,432	\$ (64,315)
Ad valorem property - current taxes	164,899	103,535	8,822	94,713
Delinquent	46,795	59,678	33,941	25,737
Motor vehicle	408,470	393,875	402,852	(8,977)
Recreational vehicle	4,261	4,398	15,740	(11,342)
Watercraft	1,424	1,146	-	1,146
State aid:				
Equalization aid	4,556,216	4,626,825	4,763,069	(136,244)
Total cash receipts	7,738,944	7,718,574	\$ 7,817,856	\$ (99,282)
Expenditures, encumbrances and transfers:				
Instruction	3,814,123	3,567,579	\$ 3,798,693	\$ (231,114)
School administration	115,994	-	-	-
Operations and maintenance	1,002,741	1,086,452	1,061,750	24,702
Transfers out	2,897,037	3,077,962	3,099,231	(21,269)
Adjustment to comply with legal max			(227,681)	227,681
Total expenditures, encumbrances and transfers	7,829,895	7,731,993	\$ 7,731,993	\$ -
Cash receipts under expenditures, encumbrances and transfers	(90,951)	(13,419)		
Prior year canceled encumbrances	-	28,354		
Unencumbered cash, beginning of year	492,112	401,161		
Unencumbered cash, end of year	\$ 401,161	\$ 416,096		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

CAPITAL OUTLAY FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes and shared revenue:				
Ad valorem property - taxes in process	\$ 1,488,998	\$ 1,552,945	\$ 1,451,048	\$ 101,897
Ad valorem property - current taxes	76,193	59,431	7,168	52,263
Delinquent	21,457	30,082	19,483	10,599
Motor vehicle	199,427	185,349	205,788	(20,439)
Recreational vehicle	2,095	1,765	1,888	(123)
Watercraft	659	657	-	657
State aid:				
Capital outlay fund	782,701	889,555	902,875	(13,320)
Federal aid:				
Federal aid - PL-382 impact aid	51,089	20,940	-	20,940
Interest on idle funds	447,734	3,517	-	3,517
Miscellaneous	48,360	44,008	-	44,008
Total cash receipts	3,118,713	2,788,249	\$ 2,588,250	\$ 199,999
Expenditures and encumbrances:				
Instruction	560,306	602,779	\$ 3,200,000	\$ (2,597,221)
General administration	26,026	7,996	-	7,996
Operations and maintenance	414,758	485,329	3,200,000	(2,714,671)
Food service operations	23,689	-	-	-
Facilities acquisition and construction	40,546	502,323	100,000	402,323
Total expenditures and encumbrances	1,065,325	1,598,427	\$ 6,500,000	\$ (4,901,573)
Cash receipts over expenditures and encumbrances	2,053,388	1,189,822		
Prior year canceled encumbrances	12,394	5,433		
Unencumbered cash, beginning of year	8,614,513	10,680,295		
Unencumbered cash, end of year	\$10,680,295	\$11,875,550		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

DRIVERS EDUCATION FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
State aid:				
Driver training	\$ 22,932	\$ 17,160	\$ 19,500	\$ (2,340)
Fee and user charges	47,709	9,785	35,000	(25,215)
Total cash receipts	70,641	26,945	\$ 54,500	\$ (27,555)
Expenditures:				
Instruction	24,305	15,831	\$ 53,960	\$ (38,129)
Operations and maintenance	1,883	715	5,000	(4,285)
Total expenditures	26,188	16,546	\$ 58,960	\$ (42,414)
Cash receipts over expenditures	44,453	10,399		
Unencumbered cash, beginning of year	170,266	214,719		
Unencumbered cash, end of year	\$ 214,719	\$ 225,118		

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

FOOD SERVICE FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
State aid:				
School food assistance	\$ 18,242	\$ 16,217	\$ 16,120	\$ 97
Federal aid:				
Federal child nutrition program	1,333,280	1,095,741	1,421,273	(325,532)
Fresh fruits and vegetables	42,461	32,015	40,000	(7,985)
Charge for service	525,326	387,700	682,005	(294,305)
Interest on idle funds	52	66	100	(34)
Miscellaneous	22,504	18,930	-	18,930
Total cash receipts	1,941,865	1,550,669	\$ 2,159,498	\$ (608,829)
Expenditures and encumbrances:				
Operations and maintenance	11,841	6,159	\$ 14,000	\$ (7,841)
Food service operations	1,983,474	1,738,842	2,242,380	(503,538)
Total expenditures and encumbrances	1,995,315	1,745,001	\$ 2,256,380	\$ (511,379)
Cash receipts under expenditures and encumbrances	(53,450)	(194,332)		
Unencumbered cash, beginning of year	401,458	348,008		
Unencumbered cash, end of year	\$ 348,008	\$ 153,676		

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

PROFESSIONAL DEVELOPMENT FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts and transfers:				
State aid:				
Professional development	\$ -	\$ 7,447	\$ 6,250	\$ 1,197
Interest on idle funds	-	64	-	64
Transfers in:				
General fund	21,349	43,731	43,750	(19)
Total cash receipts and transfers	21,349	51,242	\$ 50,000	\$ 1,242
Expenditures and encumbrances:				
Instructional staff support	35,000	54,039	\$ 54,064	\$ (25)
Total expenditures and encumbrances	35,000	54,039	\$ 54,064	\$ (25)
Cash receipts and transfers under expenditures and encumbrances	(13,651)	(2,797)		
Prior year canceled encumbrances	25	-		
Unencumbered cash, beginning of year	17,690	4,064		
Unencumbered cash, end of year	\$ 4,064	\$ 1,267		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

PARENT EDUCATION FUND

	Prior Year	Current Year		Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts and transfers:				
Revenue from local source	\$ 40,000	\$ 40,000	\$ 57,000	\$ (17,000)
State aid:				
Parent education	156,526	161,544	160,863	681
Miscellaneous	9,777	5,250	-	5,250
Transfers in:				
Supplemental general fund	55,973	59,201	50,000	9,201
Total cash receipts and transfers	262,276	265,995	\$ 267,863	\$ (1,868)
Expenditures and encumbrances:				
Student support services	255,897	266,199	\$ 284,950	\$ (18,751)
Total expenditures and encumbrances	255,897	266,199	\$ 284,950	\$ (18,751)
Cash receipts and transfers over (under) expenditures and encumbrances	6,379	(204)		
Unencumbered cash, beginning of year	12,313	18,692		
Unencumbered cash, end of year	\$ 18,692	\$ 18,488		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

SPECIAL EDUCATION FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts and transfers:				
Federal aid:				
Special education	\$ 893,031	\$ 1,018,440	\$ 860,471	\$ 157,969
PL-382 impact aid	33,773	12,894	10,000	2,894
Interest on idle funds	-	262,986	200,000	62,986
Transfers in:				
General fund	4,230,447	3,744,601	4,504,800	(760,199)
Supplemental general fund	1,733,917	1,926,230	1,950,000	(23,770)
Miscellaneous	14,288	-	-	-
Total cash receipts and transfers	6,905,456	6,965,151	\$ 7,525,271	\$ (560,120)
Expenditures and encumbrances:				
Instruction	4,678,322	4,515,562	\$ 5,111,647	\$ (596,085)
Student support services	1,344,158	1,527,946	1,419,136	108,810
General administration	281,895	360,580	388,057	(27,477)
Student transportation services	1,244,941	935,754	1,300,000	(364,246)
Total expenditures and encumbrances	7,549,316	7,339,842	\$ 8,218,840	\$ (878,998)
Cash receipts and transfers under expenditures and encumbrances	(643,860)	(374,691)		
Prior year canceled encumbrances	5,242	1,055		
Unencumbered cash, beginning of year	2,756,982	2,118,364		
Unencumbered cash, end of year	\$ 2,118,364	\$ 1,744,728		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

AT-RISK K-12 FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts and transfers:				
Interest on idle funds	\$ -	\$ -	\$ 180,000	\$ (180,000)
Transfers in:				
General fund	3,537,541	2,918,766	2,908,383	10,383
Supplemental general fund	1,093,053	1,073,974	1,084,904	(10,930)
Total cash receipts and transfers	4,630,594	3,992,740	\$ 4,173,287	\$ (180,547)
Expenditures and encumbrances:				
Instruction	4,556,938	3,803,817	\$ 4,343,058	\$ (539,241)
Student support services	128,549	137,928	134,977	2,951
Total expenditures and encumbrances	4,685,487	3,941,745	\$ 4,478,035	\$ (536,290)
Cash receipts and transfers over (under) expenditures and encumbrances	(54,893)	50,995		
Unencumbered cash, beginning of year	359,641	304,748		
Unencumbered cash, end of year	\$ 304,748	\$ 355,743		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

AT-RISK 4 YR. OLD FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Transfers:				
General fund	\$ 248,573	\$ 256,829	\$ 262,000	\$ (5,171)
Total transfers	248,573	256,829	<u>\$ 262,000</u>	<u>\$ (5,171)</u>
Expenditures and encumbrances:				
Instruction	248,573	256,829	\$ 262,000	\$ (5,171)
Total expenditures and encumbrances	248,573	256,829	<u>\$ 262,000</u>	<u>\$ (5,171)</u>
Transfers over expenditures and encumbrances	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

Year Ended June 30, 2020

(with Comparative Totals for the Year Ended June 30, 2019)

CAREER AND POSTSECONDARY EDUCATION FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts and transfers:				
Federal aid:				
Perkins Program Improvement	\$ 32,500	\$ 67,941	\$ 58,500	\$ 9,441
Fee and user charges	73,087	52,161	-	52,161
Transfers in:				
General fund	435,000	443,329	480,000	(36,671)
Total cash receipts and transfers	540,587	563,431	\$ 538,500	\$ 24,931
Expenditures and encumbrances:				
Instruction	499,193	509,500	\$ 522,968	\$ (13,468)
Instruction/student support-Perkins	46,068	61,625	47,285	14,340
Total expenditures and encumbrances	545,261	571,125	\$ 570,253	\$ 872
Cash receipts and transfers under expenditures and encumbrances	(4,674)	(7,694)		
Unencumbered cash, beginning of year	91,994	87,320		
Unencumbered cash, end of year	\$ 87,320	\$ 79,626		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

VIRTUAL EDUCATION FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts and transfers:				
Transfers in:				
General fund	\$ 400,310	\$ 420,000	\$ 458,000	\$ (38,000)
Fee and user charges	1,450	1,925	-	1,925
Total cash receipts and transfers	401,760	421,925	\$ 458,000	\$ (36,075)
Expenditures and encumbrances:				
Instruction	391,767	442,616	\$ 535,851	\$ (93,235)
School administration	19,901	17,935	10,000	7,935
Total expenditures and encumbrances	411,668	460,551	\$ 545,851	\$ (85,300)
Cash receipts and transfers under expenditures and encumbrances	(9,908)	(38,626)		
Unencumbered cash, beginning of year	371,582	361,674		
Unencumbered cash, end of year	\$ 361,674	\$ 323,048		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

Year Ended June 30, 2020

(with Comparative Totals for the Year Ended June 30, 2019)

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
KPERS contributions	\$ 1,670,341	\$ 3,953,720	\$ 4,499,732	\$ (546,012)
Total cash receipts	1,670,341	3,953,720	\$ 4,499,732	\$ (546,012)
Expenditures:				
Instruction	1,055,881	2,495,740	\$ 2,846,518	\$ (350,778)
Student support services	189,659	402,085	507,043	(104,958)
Instructional support staff	28,280	101,097	82,387	18,710
General administration	41,170	114,309	98,232	16,077
School administration	97,733	229,824	269,694	(39,870)
Central services	45,718	110,437	126,320	(15,883)
Operations and maintenance	160,029	387,044	438,487	(51,443)
Food service operations	51,871	113,184	131,051	(17,867)
Total expenditures	1,670,341	3,953,720	\$ 4,499,732	\$ (546,012)
Cash receipts over expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

BILINGUAL EDUCATION FUND

	Prior Year	Current Year		Variance
	Actual	Actual	Budget	Over (Under)
Transfers:				
General fund	\$ 87,447	\$ 98,552	\$ 105,973	\$ (7,421)
Supplemental general fund	14,094	18,557	14,327	4,230
Total transfers	101,541	117,109	\$ 120,300	\$ (3,191)
Expenditures and encumbrances:				
Student support services	101,541	117,109	\$ 120,300	\$ (3,191)
Total expenditures and encumbrances	101,541	117,109	\$ 120,300	\$ (3,191)
Transfers over expenditures and encumbrances	-	-		
Unencumbered cash, beginning of year	1	1		
Unencumbered cash, end of year	\$ 1	\$ 1		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

TEXTBOOK RENTAL FUND*

	Prior Year Actual	Current Year Actual
Cash receipts and transfers:		
Charge for services	\$ 59,625	\$ 37,749
Transfers in:		
General fund	88,069	160,000
Total cash receipts and transfers	147,694	197,749
Expenditures:		
Instruction	160,038	243,200
Total expenditures	160,038	243,200
Cash receipts and transfers under expenditures	(12,344)	(45,451)
Prior year canceled encumbrances	13,016	2,252
Unencumbered cash, beginning of year	491,159	491,831
Unencumbered cash, end of year	\$ 491,831	\$ 448,632

*This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

CONTINGENCY RESERVE FUND*

	Prior Year Actual	Current Year Actual
Cash receipts:	\$ -	\$ -
Expenditures:	-	-
Cash receipts over expenditures	-	-
Prior year canceled encumbrances	-	-
Unencumbered cash, beginning of year	1,940,043	1,940,043
Unencumbered cash, end of year	<u>\$ 1,940,043</u>	<u>\$ 1,940,043</u>

*This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

FEDERAL FUNDS

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Federal aid:				
Title I A	\$ 1,052,187	\$ 966,486	\$ 1,097,953	\$ (131,467)
Education for Homeless Children	2,100	2,500	-	2,500
Title II A	168,181	125,043	203,155	(78,112)
Title IV A	54,780	31,025	49,638	(18,613)
Striving Readers Comprehensive Literacy	900,055	981,395	1,075,000	(93,605)
COVID-19 Coronavirus	-	94,608	-	94,608
DoDEA grant	171,929	223,121	162,866	60,255
Total cash receipts	2,349,232	2,424,178	\$ 2,588,612	\$ (164,434)
Expenditures and encumbrances:				
Instruction	1,992,930	1,836,036	\$ 1,988,484	\$ (152,448)
Student support services	66,335	50,891	83,963	(33,072)
Instructional support staff	472,075	408,682	516,165	(107,483)
General administration	3,296	3,202	-	3,202
School administration	-	2,225	-	2,225
Central services	-	647	-	647
Operations and maintenance	-	32,860	-	32,860
Food service operations	-	56,840	-	56,840
Total expenditures and encumbrances	2,534,636	2,391,383	\$ 2,588,612	\$ (197,229)
Cash receipts over (under) expenditures and encumbrances	(185,404)	32,795		
Prior year canceled encumbrances	4,800	14,960		
Unencumbered cash, beginning of year	(12,539)	(193,143)		
Unencumbered cash, end of year	\$ (193,143)	\$ (145,388)		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

GRANT FUNDS

	Prior	Current Year		Variance
	Year Actual	Actual	Budget	Over (Under)
Cash receipts:				
Other contributions	\$ 566,202	\$ 543,162	\$ 637,610	\$ (94,448)
Total cash receipts	566,202	543,162	\$ 637,610	\$ (94,448)
Expenditures and encumbrances:				
Instruction	180,013	91,889	\$ 168,000	\$ (76,111)
Student support services	4,491	56,742	71,135	(14,393)
Instructional support staff	9,987	9,977	10,000	(23)
General administration	14,114	21,987	11,000	10,987
Other support services	118,438	186,340	190,355	(4,015)
Community services	227,882	175,638	235,120	(59,482)
Total expenditures and encumbrances	554,925	542,573	\$ 685,610	\$ (143,037)
Cash receipts over expenditures and encumbrances	11,277	589		
Prior year canceled encumbrances	5,789	6,531		
Unencumbered cash, beginning of year	24,194	41,260		
Unencumbered cash, end of year	\$ 41,260	\$ 48,380		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

BOND AND INTEREST FUND

	Prior Year	Current Year		Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts:				
Taxes and shared revenue:				
Ad valorem property - taxes in process	\$ 3,192,106	\$ 3,260,994	\$ 3,084,794	\$ 176,200
Ad valorem property - current	171,633	129,257	14,845	114,412
Delinquent	53,703	70,717	42,373	28,344
Motor vehicle	479,468	416,546	457,957	(41,411)
Recreational vehicle	4,996	4,372	4,202	170
Watercraft	1,487	1,430	-	1,430
State aid:				
Capital improvement fund	2,617,586	3,275,974	3,275,974	-
Total cash receipts	6,520,979	7,159,290	\$ 6,880,145	\$ 279,145
Expenditures:				
Principal	3,150,000	3,735,000	\$ 3,735,000	\$ -
Interest	2,410,020	2,928,925	2,928,928	(3)
Total expenditures	5,560,020	6,663,925	\$ 6,663,928	\$ (3)
Cash receipts over expenditures	960,959	495,365		
Unencumbered cash, beginning of year	7,164,158	8,125,117		
Unencumbered cash, end of year	\$ 8,125,117	\$ 8,620,482		

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

BOND CONSTRUCTION FUND*

	Prior Year Actual	Current Year Actual
Cash receipts:		
Interest on idle funds	\$ 611,304	\$ 311,044
Proceeds from sale of bonds	37,977,176	-
Total cash receipts	38,588,480	311,044
Expenditures and encumbrances:		
Facilities acquisition and construction	4,355,124	18,413,575
Total expenditures and encumbrances	4,355,124	18,413,575
Cash receipts over (under) expenditures and encumbrances	34,233,356	(18,102,531)
Prior year canceled encumbrances	-	166,671
Unencumbered cash, beginning of year	-	34,233,356
Unencumbered cash, end of year	\$34,233,356	\$16,297,496

*This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year Ended June 30, 2020
(with Comparative Totals for the Year Ended June 30, 2019)

PRIVATE PURPOSE TRUST FUNDS*

	Prior Year Actual	Current Year Actual
Cash receipts:		
Interest	\$ 1,759	\$ 5,282
Donations	126,905	-
	<hr/>	<hr/>
Total cash receipts	128,664	5,282
	<hr/>	<hr/>
Expenditures:		
Scholarships	6,000	5,000
	<hr/>	<hr/>
Total expenditures	6,000	5,000
	<hr/>	<hr/>
Cash receipts over expenditures	122,664	282
Unencumbered cash, beginning of year	123,772	246,436
	<hr/>	<hr/>
Unencumbered cash, end of year	\$ 246,436	\$ 246,718
	<hr/>	<hr/>

*This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
 AGENCY FUNDS
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTUAL
 REGULATORY BASIS
 Year Ended June 30, 2020

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student organization funds:				
Leavenworth High School:				
Ambassadors	\$ 496	\$ -	\$ 96	\$ 400
Art club	871	-	488	383
Band	1,509	105	230	1,384
Baseball club	2,530	6,201	6,981	1,750
Book club	1,395	680	502	1,573
Bowling club	1,103	-	134	969
Boys basketball	1,371	4,589	5,865	95
Boys golf	272	1,303	1,298	277
Boys soccer	2,901	5,894	8,299	496
Boys swim	1,025	-	-	1,025
Boys tennis	336	1,103	907	532
Boys track	1,394	442	400	1,436
Cheerleaders	1,598	3,065	4,157	506
Chess club	442	1,580	989	1,033
Choir	2,591	5,547	5,476	2,662
Cross country	1,709	619	593	1,735
Dance team	122	-	-	122
Debate	412	-	74	338
DECA	6,026	13,863	17,375	2,514
Design studio	391	-	-	391
Drama	5,843	13,737	18,180	1,400
FCA club	353	-	-	353
Football	3,681	7,047	10,558	170
French club	256	-	-	256
Future Educators Association	430	-	-	430
German club	494	-	-	494
Girls basketball	1,788	1,008	2,415	381
Girls golf	453	-	296	157
Girls soccer	4,219	340	4,362	197
Girls swim	1,180	109	-	1,289
Girls track	1,509	180	1,095	594
Girls volleyball	3,885	9,313	10,213	2,985
International club	579	786	614	751
KAYS	148	-	22	126
Math club	725	-	90	635
National forensics league	775	4	440	339
National Honor Society	3,915	2,168	2,540	3,543
Odyssey of the Mind	1,157	-	-	1,157
Subtotal forward	\$ 59,884	\$ 79,683	\$ 104,689	\$ 34,878

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
 AGENCY FUNDS
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTUAL
 REGULATORY BASIS
 Year Ended June 30, 2020

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Leavenworth High School:				
Subtotal forward	\$ 59,884	\$ 79,683	\$ 104,689	34,878
Pioneer Pantry	274	-	-	274
Pioneer Pride	169	442	497	114
POC	13	1,268	1,049	232
Project Plant	15	334	-	349
Prom	18,763	64	3,177	15,650
ROTC club	5,668	26,206	30,107	1,767
Scholars Bowl	927	160	-	1,087
Science club	242	-	90	152
Senior class	2,158	3,943	4,607	1,494
Sew creative	685	-	-	685
Skills USA	-	110	-	110
Softball	2,755	-	890	1,865
Store - DECA	4,599	12,419	14,973	2,045
Strength club	1,715	7,390	3,187	5,918
STUCO	7,826	6,419	9,266	4,979
TSA	3,552	8,993	7,953	4,592
USALL	525	-	140	385
Wellness club	347	134	125	356
Wrestling	1,316	-	1,240	76
Subtotal Leavenworth High School	111,433	147,565	181,990	77,008
Warren Middle School:				
Concession stand fund	472	2,614	3,086	-
Student support fund	9,223	12,772	12,130	9,865
Band	50	559	439	170
Kay's	1,458	-	23	1,435
Drama	380	764	591	553
Petes Place	452	290	429	313
Science	244	-	-	244
Yearbook	2,568	1,151	1,331	2,388
STUCO	7,311	3,604	2,808	8,107
PE club	328	1,893	2,221	-
Cheerleaders	313	100	-	413
Cross country	-	4,751	4,050	701
Girls basketball	42	-	-	42
Football	436	6,500	4,998	1,938
Track	19	-	-	19
Subtotal forward	\$ 23,296	\$ 34,998	\$ 32,106	\$ 26,188

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
 AGENCY FUNDS
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTUAL
 REGULATORY BASIS
 Year Ended June 30, 2020

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Warren Middle School:				
Subtotal forward	\$ 23,296	\$ 34,998	\$ 32,106	\$ 26,188
Volleyball	23	-	-	23
Wrestling	-	296	296	-
Subtotal Warren Middle School	23,319	35,294	32,402	26,211
Anthony:				
Student support fund	4,828	1,465	3,423	2,870
Field trip	1,501	487	-	1,988
Student activities	1,511	564	385	1,690
Miscellaneous	-	346	346	-
Trucker Buddy	94	-	-	94
Yearbook	279	702	-	981
Subtotal Anthony	8,213	3,564	4,154	7,623
David Brewer:				
Student support fund	216	2,407	696	1,927
Field trip	212	499	522	189
Student activities	629	-	-	629
Miscellaneous	-	279	279	-
GOTR/LetMeRun	392	-	-	392
Yearbook	104	929	650	383
Subtotal David Brewer	1,553	4,114	2,147	3,520
Lawson:				
Student support fund	9,143	7,200	6,617	9,726
Yearbook	537	116	630	23
Subtotal Lawson	9,680	7,316	7,247	9,749
Henry Leavenworth:				
Student support fund	4,954	1,569	1,372	5,151
Field trip	-	462	462	-
Student activities	151	725	120	756
Yearbook	805	-	-	805
Subtotal Henry Leavenworth	\$ 5,910	\$ 2,756	\$ 1,954	\$ 6,712

UNIFIED SCHOOL DISTRICT NO. 453, LEAVENWORTH, KANSAS
 AGENCY FUNDS
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTUAL
 REGULATORY BASIS
 Year Ended June 30, 2020

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Nettie Hartnett:				
Miscellaneous	\$ 339	\$ 37	\$ 205	\$ 171
Quest 18-21	104	3,463	2,634	933
Third Ave	145	248	92	301
Subtotal Nettie Hartnett	588	3,748	2,931	1,405
Total student organization funds	<u>\$ 160,696</u>	<u>\$ 204,357</u>	<u>\$ 232,825</u>	<u>\$ 132,228</u>
Faculty funds:				
Leavenworth High School	\$ 7,746	\$ 8,452	\$ 10,768	\$ 5,430
Warren Middle School	296	2,194	2,089	401
Anthony	1,755	986	641	2,100
David Brewer	1,452	600	201	1,851
Lawson	2,207	244	1,703	748
Henry Leavenworth	1,806	130	219	1,717
Nettie Hartnett	20	-	-	20
Total faculty funds	<u>\$ 15,282</u>	<u>\$ 12,606</u>	<u>\$ 15,621</u>	<u>\$ 12,267</u>
Fees and user charges:				
Leavenworth High School	\$ 45,571	\$ 128,744	\$ 93,910	\$ 80,405
Warren Middle School	589	8,172	8,197	564
Anthony	250	1,607	1,707	150
David Brewer	502	127	20	609
Lawson	13	23	-	36
Henry Leavenworth	487	68	-	555
Total fees and user charges	<u>\$ 47,412</u>	<u>\$ 138,741</u>	<u>\$ 103,834</u>	<u>\$ 82,319</u>
Summary:				
Student organization funds	\$ 160,696	\$ 204,357	\$ 232,825	\$ 132,228
Faculty funds	15,282	12,606	15,621	12,267
Fees and user charges	47,412	138,741	103,834	82,319
Total agency funds	<u>\$ 223,390</u>	<u>\$ 355,704</u>	<u>\$ 352,280</u>	<u>\$ 226,814</u>

UNFIED SCHOOL DISTRICT NO. 453 LEAVENWORTH, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2020

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate receipts:						
Leavenworth High School	\$ -	\$ 33,386	\$ 33,386	\$ -	\$ -	\$ -
Warren Middle School	-	17,084	17,084	-	-	-
Subtotal gate receipts	-	50,470	50,470	-	-	-
School projects:						
Leavenworth High School	50,565	62,053	63,778	48,840	-	48,840
Total district activity funds	<u>\$ 50,565</u>	<u>\$ 112,523</u>	<u>\$ 114,248</u>	<u>\$ 48,840</u>	<u>\$ -</u>	<u>\$ 48,840</u>

LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Kansas Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553		\$ 216,057
National School Lunch Program	10.555		688,692
Summer Food Service Program for Children	10.559		190,992
Total Child Nutrition Cluster			1,095,741
Fresh Fruits & Vegetables Program	10.582		32,015
Total U.S. Department of Agriculture			1,127,756
<u>U.S. Department of Defense</u>			
Direct: Support for Student Achievement Military Connected			
Schools Grant Award HE12541710015	12.556		63,618
Schools Grant Award HE12541810033	12.556		68,062
Total U.S. Department of Defense			131,680
<u>U.S. Department of Education</u>			
Direct: PL-382 Impact Aid	84.041		82,693
Passed through Kansas Department of Education:			
Special education cluster (IDEA):			
Title VIB Special Education	84.027A	10010.20	688,909
Discretionary Special Education	84.027A	10040.20 20708	24,953
Special Education Preschool	84.173A	09010.20	33,471
Total Special Education Cluster (IDEA)			747,333
Title I Low income	84.010	01010.20	927,738
Title I Low income-carryover	84.010	01010.19	80,357
Secondary Program Improvement	84.048	11010.20 00020	59,735
Secondary Program Improvement	84.048	11008.19 70280	283
Education for Homeless Children	84.196	05010.20	2,500
Title II Supporting Effective Instruction	84.367	13010.20	107,456
Title II Supporting Effective Instruction-carryover	84.367	13010.19	25,840
Striving Readers Comprehensive Literacy Program	84.371C	13030.19	843,877
Striving Readers Comprehensive Literacy Program	84.371C	13030.18	106,642
Title IVA Student Support Academic Enrich	84.424	13029.20	26,173
Title IVA Student Support Academic Enrich	84.424	13029.19	5,254
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	04500.20	118,908
Total U.S. Department of Education			3,134,789
<u>U.S. Department of Health & Human Services</u>			
Passed through Kansas Department of Education:			
Youth Risk Behavior Survey	93.938		730
Total federal awards expenditures			\$ 4,394,955

See accompanying notes to schedule of
expenditures of federal awards.

LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Leavenworth Unified School District No. 453, Leavenworth, Kansas (the District) under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statement. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the regulatory basis of accounting as described in Note 1 to the District's financial statements. The District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

Section I - Summary of Independent Auditors' Results

Financial Statement

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

Federal Awards

Types of auditors' report issued on compliance for major programs:	Unmodified
Internal control over major programs:	
Material weaknesses identified:	None
Significant deficiency identified that is not considered to be a material weakness:	2020-001
Any audit findings that are required to be reported in accordance with Section 2 CFR 200.516(a):	None

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559 84.371C	Child Nutrition Cluster Striving Readers Comprehensive Literacy Program
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
Auditee qualified as low-risk auditee:	No

LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II – Financial Statement Findings

No matters reported.

Section III – Federal Award Findings and Questioned Costs

Finding 2020-001

Prior Reference Number – 2019-001

Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Federal Agency: U.S. Department of Education

Pass-Through Entity: Kansas Department of Education

Federal Program: Striving Readers Comprehensive Literacy Program, CFDA No. 84.371, Award Period June 12, 2018 through December 31, 2020

Compliance Requirement: Procurement, Suspension and Debarment

Condition: For two of the four vendors tested, the District did not maintain documentation for the rationale behind selecting the vendor, including the reason for a vendor being considered a sole-source vendor. For four of the four vendors tested, there was no evidence that the District considered suspension and debarment requirements prior to or while entering into a covered transaction.

Questioned Costs: None

LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 453
LEAVENWORTH, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2020-001 (Continued)

Criteria: Per 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* (Uniform Guidance), Section 200.318 *General Procurement Standards*, the non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. Also, non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR Section 180.220. All non-procurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR Section 180.215. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR Section 180.995 and agency-adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transactions. When entering into a covered transaction, to determine if the entity or person is excluded or disqualified, this can be done by one of the following: (1) checking the Government-wide System for Award Management Exclusions (SAM) to determine if an entity is debarred or suspended, (2) collecting a certification from that person, or (3) adding a clause or condition to the covered transaction.

Cause: This grant was new to the District when it was awarded in previous fiscal year and requirements were not communicated to the District by the grantor.

Effect: This finding indicates that there could be some process improvements in how contracts are reviewed, documented and maintained to provide evidence the compliance requirements are being met. Also, the District may unintentionally enter into a covered transaction with a suspended or debarred party.

Recommendation: We recommend that the District develop a more robust internal control that monitors the selection of vendors who are funded with federal grants.

Management's Response/Corrective Action Plan (Unaudited): The District's Chief Financial Officer will maintain vendor selection documentation including the rationale, request for proposal and bidding if applicable. Also, the District's Chief Financial Officer will verify the suspension and debarment for vendors who are funded with federal grants. Please contact Beth Mattox, Chief Financial Officer for additional information.



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

Board of Education
Unified School District No. 453
Leavenworth, Kansas

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 Leavenworth Unified School District No. 453 (the District) which comprises the summary statement of regulatory basis receipts, expenditures and unencumbered cash as of June 30, 2020 and the related notes to the financial statement and have issued our report thereon dated March 8, 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 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.

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

BT&Co, P.A.

March 8, 2021
Topeka, Kansas



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

Board of Education
Unified School District No. 453
Leavenworth, Kansas

Report on Compliance for Each Major Federal Program

We have audited Leavenworth Unified School District No. 453's (the District's) 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 programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with 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 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, 2020.

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Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as Finding 2020-001. Our opinion on each major federal program is not modified with respect to this matter.

The District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 of the major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each of the major federal programs and to test and report on internal control over compliance in accordance with 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 and therefore material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as Finding 2020-001 that we consider to be a significant deficiency.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

March 8, 2021
Topeka, Kansas