

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

For the Fiscal Year Ended June 30, 2022

Regulatory Basis Financial Statement and
Independent Auditors' Report with
Regulatory Required Supplemental Information
And Federal Compliance Section

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS**

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
Independent Auditors' Report.....	1-3
FINANCIAL STATEMENT	
Summary Statement of Regulatory Basis Receipts, Expenditures, and Unencumbered Cash Balances	4 - 5
Notes to the Financial Statement.....	6 - 14
REGULATORY REQUIRED SUPPLEMENTAL INFORMATION	
Schedule 1 Summary of Regulatory Basis Expenditures - Actual and Budget.....	15
Schedule 2 Schedule of Regulatory Basis Receipts and Expenditures - Actual and Budget	
General Fund.....	16 - 17
Supplemental General Fund	18
At Risk 4 Year Old Fund.....	19
At Risk K-12 Fund.....	20
Bilingual Education Fund.....	21
Virtual Fund.....	22
Capital Outlay Fund.....	23
Driver Training Fund.....	24
Food Service Fund.....	25
Professional Development Fund	26
Summer School Fund	27
Special Education Fund	28
Career and Postsecondary Education Fund.....	29
KPERs Retirement Fund.....	30
Contingency Reserve Fund.....	31
Textbook Rental Fund	32
Title I Fund	33
Title II Fund	34
ESSER Fund	35
CARES Fund	36
Recreation Fund.....	37
Bond and Interest Fund.....	38
Gifts and Grants Fund.....	39
FEMA Grant Fund.....	40
Other Grants Fund	41
Scholarship Fund	42
Schedule 3 Schedule of Regulatory Basis Receipts and Disbursements - Agency Funds.....	43
Schedule 4 Schedule of Regulatory Basis Receipts, Expenditures, and Unencumbered Cash - Activity Funds	44

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS**

TABLE OF CONTENTS
(Continued)

	<u>PAGE NUMBER</u>
FEDERAL COMPLIANCE SECTION	
Schedule 5	
Schedule of Expenditures of Federal Awards	45
Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by The Uniform Guidance.....	46 - 47
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	48 - 49
Schedule of Findings and Questioned Costs	50 – 51
Summary Schedule of Prior Audit Findings	52

Diehl Banwart Bolton

Certified Public Accountants PA

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District #249
Frontenac, Kansas 66763

Adverse and Unmodified Opinions

We have audited the accompanying Summary Statement of Receipts, Expenditures, and Unencumbered Cash, Regulatory Basis, of the Unified School District #249, Frontenac, Kansas (District) as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2022 or changes in financial positions and cash flows thereof for the fiscal year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District #249, Frontenac, Kansas as of June 30, 2022, and the aggregate receipts and expenditures for the fiscal year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial 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.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the June 30, 2022 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances – regulatory basis (financial statement) as a whole. The summary of expenditures – actual and budget – regulatory basis, individual fund schedules of receipts and expenditures – actual and budget – regulatory basis, schedule of receipts and expenditures – agency funds – regulatory basis and the schedule of receipts, expenditures, and unencumbered cash – district activity funds – regulatory basis (Schedules 1, 2, 3 and 4 as listed in the table of contents), are presented for purposes of additional analysis and are not a required part of the financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the 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 our report dated October 31, 2022 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Prior Year Comparative Numbers

The 2021 actual column presented in the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances and the individual fund schedules of regulatory basis receipts and expenditures— actual and budget (Schedule 2 as listed in the table of contents), are also presented for comparative analysis and was not a required part of the 2021 financial statement upon which we rendered an unmodified opinion dated November 5, 2021. The 2021 financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 comparative information is fairly stated in all material respects in relation to the 2021 basic financial statement as a whole, on the basis of accounting described in Note 1.

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

October 31, 2022
Fort Scott, Kansas

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning		Receipts	Expenditures	Ending		Plus Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2022
	Unencumbered Cash Balance	Unencumbered Cash Balance			Unencumbered Cash Balance	Unencumbered Cash Balance		
General Funds								
General Fund	\$ -	\$ -	\$ 7,516,169.10	\$ 7,516,169.10	\$ -	\$ -	\$ 483,367.11	\$ 483,367.11
Supplemental General	43,605.61		2,394,940.87	2,425,670.00	12,876.48		397,626.05	410,502.53
Special Purpose Funds								
At Risk 4 Year Old	-		33,023.44	33,023.44	-		3,731.42	3,731.42
At Risk K-12	-		840,000.00	840,000.00	-		139,773.62	139,773.62
Bilingual Education	-		58,475.22	58,475.22	-		-	-
Virtual Education	-		32,918.00	32,918.00	-		-	-
Capital Outlay	109,768.48		737,122.20	332,203.12	514,687.56		38,008.53	552,696.09
Driver Training	22,052.40		7,434.00	5,770.44	23,715.96		-	23,715.96
Food Service	75,990.88		625,364.51	550,000.00	151,355.39		38,167.85	189,523.24
Professional Development	68,213.67		23,400.00	23,434.42	68,179.25		600.00	68,779.25
Summer School	0.08		-	-	0.08		-	0.08
Special Education	346,262.39		1,553,828.79	1,554,050.99	346,040.19		-	346,040.19
Career & Postsecondary Ed	-		378,514.71	378,514.71	-		32,900.95	32,900.95
KPERS Retirement	-		846,079.87	846,079.87	-		-	-
Contingency Reserve	300,000.00		-	-	300,000.00		-	300,000.00
Textbook Rental	131,652.04		57,075.00	12,134.19	176,592.85		5,104.40	181,697.25
Title I	-		136,373.00	136,373.00	-		23,309.42	23,309.42
Title II	-		17,337.00	17,337.00	-		3,311.84	3,311.84
ESSER	(192,097.88)		414,589.00	380,210.37	(157,719.25)		6,969.55	(150,749.70)
CARES	-		-	-	-		-	-
Recreation	3,835.01		66,402.62	69,999.69	237.94		-	237.94
Gate Receipts	8,934.10		73,257.22	70,523.62	11,667.70		-	11,667.70
Bond and Interest Fund								
Bond and Interest	1,051,487.05		3,204,957.64	4,004,985.50	251,459.19		-	251,459.19

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

UNIFIED SCHOOL DISTRICT #249

FRONTENAC, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning		Receipts	Expenditures	Ending		Plus Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2022
	Unencumbered Cash Balance	Cash Balance			Unencumbered Cash Balance	Cash Balance		
Expendable Trusts								
Gifts and Grants	\$	3,736.65	\$	153,896.88	\$	261,779.92	\$	(104,146.39)
FEMA Grant	-	-	-	-	-	-	-	-
Other Grants	-	-	-	10,588.18	(10,588.18)	7,947.01	-	(2,641.17)
Scholarship	39,784.34	9,271.31	7,300.00		41,755.65			41,755.65
Grand Totals	\$	2,013,224.82	\$	19,180,430.38	\$	19,567,540.78	\$	1,245,063.29
								\$
								2,871,177.71

Composition of Cash

General Checking NOW Account.....	\$	2,316,791.23
Petty Cash Checking Account.....		325.00
Certificates of Deposit - District.....		500,000.00
Scholarship Savings.....		11,253.15
Scholarship Certificates of Deposit.....		30,502.50
School Activity Funds:		
Grade School NOW Checking Account.....		5,626.14
Junior High School, NOW Checking Account.....		21,356.86
High School, NOW Checking Account.....		93,678.13
Total Cash		2,979,533.01
Agency Funds - Schedule 3		(108,355.30)
Total Reporting Entity (Excluding Agency Funds)	\$	2,871,177.71

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

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS**

Notes to the Financial Statement
For the Fiscal Year Ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement of Unified School District #249, Frontenac, Kansas, has been prepared in accordance with the State of Kansas regulatory basis of accounting, and is designed to show compliance with the cash basis and budget laws of the State of Kansas. The *Kansas Municipal Audit and Accounting Guide* (KMAAG), as approved by the director of the Kansas Division of Accounts and Reports, establishes the guidelines for the regulatory basis of accounting in the state of Kansas. Note 1 describes how the District's accounting policies differ from accounting principles generally accepted in the United States of America.

Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District #249, Frontenac, Kansas (the municipality) and related municipal entities. The following related municipal entity is included in the District's reporting entity because it was created to benefit the USD and/or its constituents.

1. **Recreation Commission.** USD #249 Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body but the USD levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. The recreation commission cannot purchase real property but can acquire real property by gift.

Basis of Presentation - Fund Accounting

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

The following types of funds comprise the financial activities of the District:

- General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.
- Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.
- Bond and Interest Funds – used to account for the accumulation of resources, including tax levies and transfers from other funds to be used for the payment of general long-term debt. Trust Funds – funds used to report assets held by the District for the benefit of the reporting entity.
- Agency Funds – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)
Basis of Presentation - Fund Accounting (Continued)

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

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The 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.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general funds, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1.
2. Publication in the local newspaper on or before August 5 of the proposed budget and a notice of public hearing on the budget.
3. Public hearing on or before August 15, but at least ten days after the publication of a notice of hearing.
4. Adoption of the final budget on or before August 25.

Kansas Statutes require that an annual operating budget be legally adopted for the general fund. If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The municipality did hold a revenue neutral rate hearing this year for the 2022 budget

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were two budget amendments this year as shown in Note 9. The District decreased the General and Supplemental General Fund budgets to the legal maximum budgets in accordance with Kansas Statutes.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)
Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances with disbursements being adjusted to remove prior years' 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 Trust funds and the following special revenue funds:

- Grant Fund (K.S.A. 72-8210)
- Federal Funds (K.S.A. 12-1663)
- Contingency Reserve Fund (K.S.A. 72-6426)
- Textbook Rental Fund (K.S.A. 72-8250)

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

Deposits and Investments

Deposits and investments are comprised of interest and non-interest-bearing checking accounts. Kansas statutes permit investment in savings accounts, certificates of deposit, repurchase agreements, and obligations of the U.S. Treasury.

Compensated Absences

Classified employees earn 10 days, teachers earn 9 days of sick leave per year, and may accrue up to a maximum of 125 days. Reimbursement for unused sick leave is paid at \$50.00 per day upon termination of employment after 15 years with the District. Teachers receive five days of personal leave each year. At the end of the year, a teacher may choose to be paid \$50.00 for unused personal days, or they may be converted to unused sick days and accounted for as stated earlier. Full-time, twelve-month employees receive vacation ranging from two to four weeks. Vacation time is lost if not taken within one year after it is earned. The District accrues a liability for compensated absences, which meet the following criteria:

1. Obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. Obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. Amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, the District has not accrued a liability for sick or vacation pay inasmuch as the amounts are immaterial to the financial statements.

At June 30, 2022, there is a liability for unused sick pay totaling \$120,500 for employees eligible to retire in accordance with the terms listed above but have not retired. There is a potential liability of \$53,025 for unused sick pay for all other employees of the district.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Termination and Post Employment Benefits

No termination benefits are provided to District employees when employment with the District ends except for the accrued compensated absences as discussed in Note 1 under “Compensated Absences” and early retirement benefits as follows:

Early retirement benefits are available for employees hired prior to September 9, 2013 pursuant to the negotiated agreement. In general, the plan allows a person who has been employed by the District as a certified staff member for fifteen continuous academic years, and who qualifies for full KPERS retirement benefits, is formally retired, and has begun drawing benefits under KPERS, the option to retire. Benefits which are provided are as follows: 1) paid sick leave up to restrictions as specified in the current negotiated agreement between the District and its employees, 2) a percentage of the last regular salary for one year after retirement.

There were no employees who retired and were due early retirement pay in September 2021,

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government 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. There is no cost to the District under this program.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis, and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied, with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

Reimbursements and Other Qualifying Budget Credits

Reimbursements are included in Other Receipts in the financial statement, and include payments from one fund to reimburse the fund as well as payments from outside sources to reimburse the District for expenditures incurred. Reimbursements include such receipts as certain non-budgeted grants, gifts and donations. Reimbursements allow the District to extend the certified budget; that is, to spend more than the legal budget to the extent that the reimbursements exceed the amounts budgeted.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The financial statement and regulatory-required supplemental information is prepared in order to show compliance with the cash basis and budget laws of Kansas. The District was in apparent compliance with the cash basis and budget laws of Kansas. The negative unencumbered cash balance as shown on Statement 1 is not actually a cash basis violation due to grant money receivable at June 30, 2022.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the Government is located, or in an adjoining county if such institution has been designated as an official depository and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Government has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Government'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 Government has no investment policy that would further limit its investment choices, but has limited the investments to time deposits at the local banks.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not have any "peak periods" designated. All deposits were legally secured at June 30, 2022.

At June 30, 2022 the District's carrying amount of deposits was \$2,979,533.01 and the bank balance was \$2,597,808.83. The bank balance was primarily held by one bank resulting in a concentration of credit risk. Of the bank balance, \$255,951.14 was covered by federal depository insurance, and the remaining \$2,341,857.69 was collateralized with securities totaling \$3,244,416.20 held by the pledging financial institutions' agents in the District's name.

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$414,223 subsequent to June 30, 2022 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the fiscal year ended June 30, 2022.

5. DEFINED BENEFIT PENSION PLAN

General Information about the 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.

5. **DEFINED BENEFIT PENSION PLAN** (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 15.59 and 14.23% respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate was 14.83% and 13.33% for the fiscal year ended June 30, 2022.

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 \$846,079.87 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was \$6,438,715 and the total net pension liability was \$7,799,450,285. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

6. **CONTINGENCIES**

In the normal course of operations, the District participates in various federal or state grant programs from year to year. The grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

7. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. The District manages these various risks of loss by purchasing insurance policies.

8. INTERFUND TRANSFERS

Operating transfers are routinely made from the General and Supplemental General Funds to other funds as allowed by Kansas Statutes. Operating transfers were as follows:

FROM	TO	STATUTORY AUTHORITY	AMOUNT
General	At Risk Four Year Old	K.S.A. 72-6428	\$ 33,023.44
General	At Risk K-12	K.S.A. 72-6428	660,000.00
General	Bilingual Education	K.S.A. 72-6428	51,475.22
General	Virtual	K.S.A. 72-6428	32,918.00
General	Capital Outlay	K.S.A. 72-6428	77,579.63
General	Food Service	K.S.A. 72-6428	200.00
General	Professional Development	K.S.A. 72-6428	23,400.00
General	Special Education	K.S.A. 72-6428	1,515,000.00
General	Career & Postsecondary Education	K.S.A. 72-6428	378,514.71
Supplemental General	At Risk K-12	K.S.A. 72-6433	180,000.00
Supplemental General	Bilingual Education	K.S.A. 72-6433	7,000.00

9. BUDGET AMENDMENTS

The following funds were amended during the year:

	Original Budget	Amended Budget
Virtual Education Fund		
Cash Receipts		
Operating Transfers from Other Funds	\$ 15,000	\$ 40,000
Total Cash Receipts	15,000	40,000
Unencumbered Cash-Beginning of Year	-	-
Resources Available	\$ 15,000	\$ 40,000
Expenditures		
Instruction	\$ 15,000	\$ 40,000
Total Expenditures	\$ 15,000	\$ 40,000
	Original Budget	Amended Budget
Food Service Fund		
Cash Receipts		
Local Sources	\$ 40,000	\$ 40,000
State Sources	-	-
Federal Sources	422,675	452,675
Operating Transfers from Other Funds	-	5,000
Total Cash Receipts	462,675	497,675
Unencumbered Cash-Beginning of Year	75,991	75,991
Resources Available	\$ 538,666	\$ 573,666
Expenditures		
Food Service Operations	\$ 495,000	\$ 550,000
Total Expenditures	\$ 495,000	\$ 550,000

10. SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring subsequent to June 30, 2022 through October 31, 2022, the date of the financial statement. During this period, there were no subsequent events requiring recognition in the financial statement or disclosure in the notes to the financial statement.

11. LONG TERM OBLIGATIONS

In September 2021, the District paid off their General Obligation Bonds outstanding totaling \$3,960,000 plus interest due at September 1, 2021. The debt was paid with state aid and local funds.

Details about the District's long-term obligations and changes in long term debt, are recorded on the following page:

11. LONG TERM OBLIGATIONS (Continued)

Changes in Long Term Obligations									
Issue	Interest Rates	Date of Issue	Date of Final Maturity	Amount of Issue	Balances Beginning of Year	Additions/ New Debt	Reductions/ Principal Paid	Balances End of Year	Interest Paid
<u>General Obligation Bonds</u>									
General Obligation School Building Bonds									
Refunding Bonds - Series 2011	2.0-5.5%	12/28/2011	9/1/2030	\$5,645,000	\$ 1,690,000	\$ -	\$ 1,690,000	\$ -	\$ 25,350
Refunding Bonds - Series 2020	1.73-1.37%	4/30/2020	9/1/2024	\$2,294,000	2,270,000	-	2,270,000	-	19,636
Total General Obligation Bonds					3,960,000	-	3,960,000	-	44,986
<u>Lease Purchase Agreements</u>									
2020 FEMA Project	1.65%	12/21/2020	12/21/2023	\$400,000	289,215	-	289,215	-	4,979
Totals					\$ 4,249,215	\$ -	\$ 4,249,215	\$ -	\$ 49,965

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS**

REGULATORY REQUIRED SUPPLEMENTAL INFORMATION
For the Fiscal Year Ended June 30, 2022

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

Summary of Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Certified Budget	Adjustment to		Adjustment for		Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
		Comply with Legal Maximum		Qualifying Budget Credits				
General Fund	\$	\$	(157,747.00)	\$	124,848.10	\$	7,516,169.10	\$ -
General Fund	2,487,094.00	(61,424.00)		-		2,425,670.00	2,425,670.00	-
Supplemental General								
Special Purpose Funds	40,000.00	-		-		40,000.00	33,023.44	(6,976.56)
At Risk 4 Year Old	840,000.00	-		-		840,000.00	840,000.00	-
At Risk K-12	69,000.00	-		-		69,000.00	58,475.22	(10,524.78)
Bilingual Education	40,000.00	-		-		40,000.00	32,918.00	(7,082.00)
Virtual Education	550,000.00	-		-		550,000.00	332,203.12	(217,796.88)
Capital Outlay	8,000.00	-		-		8,000.00	5,770.44	(2,229.56)
Driver Training	550,000.00	-		-		550,000.00	550,000.00	-
Food Service	72,500.00	-		-		72,500.00	23,434.42	(49,065.58)
Professional Development	-	-		-		-	-	-
Summer School	1,757,002.00	-		-		1,757,002.00	1,554,050.99	(202,951.01)
Special Education	390,000.00	-		-		390,000.00	378,514.71	(11,485.29)
Career & Postsecondary Ed	968,255.00	-		-		968,255.00	846,079.87	(122,175.13)
KPERS Retirement	70,000.00	-		-		70,000.00	69,999.69	(0.31)
Recreation								
Bond and Interest Fund								
Bond and Interest	4,005,986.00	-		-		4,005,986.00	4,004,985.50	(1,000.50)
	<u>\$</u>							
	<u>19,396,905.00</u>							

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	Prior Year Actual	Current Year		Variance - Over (Under)
	Actual	Actual	Budget	
Receipts				
Local Sources				
Reimbursements	\$ 55,399.14	\$ 122,052.82	\$ -	\$ 122,052.82
State Sources				
Other State aid	1,000.00	2,150.00	-	2,150.00
General aid	6,255,394.00	6,391,554.00	6,475,171.00	(83,617.00)
Special Education aid	980,936.00	999,767.00	1,073,897.00	(74,130.00)
Federal Sources				
Other Federal Aid	2,000.00	645.28	-	645.28
Total Receipts	7,294,729.14	7,516,169.10	\$ 7,549,068.00	\$ (32,898.90)
Expenditures				
Instruction	2,163,946.08	2,022,191.29	2,239,063.00	\$ (216,871.71)
Support Services				
Student Support	295,321.66	300,399.08	309,364.00	(8,964.92)
Instructional Support	238,346.61	223,608.58	241,254.00	(17,645.42)
General Administration	222,475.03	296,626.48	235,754.00	60,872.48
School Administration	431,521.19	456,764.69	436,718.00	20,046.69
Business Office	103,735.65	103,929.84	104,978.00	(1,048.16)
Operations and Maintenance	1,098,199.66	1,146,348.26	902,077.00	244,271.26
Transportation Services	251,354.25	194,189.88	250,700.00	(56,510.12)

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to Other Funds				
At Risk 4 Year Old	\$ 30,000.00	\$ 33,023.44	\$ 40,000.00	\$ (6,976.56)
At Risk K - 12	521,579.03	660,000.00	630,000.00	30,000.00
Bilingual Education	57,666.00	51,475.22	60,000.00	(8,524.78)
Virtual	9,750.00	32,918.00	15,000.00	17,918.00
Capital Outlay	-	77,579.63	-	77,579.63
Food Service	3,000.00	200.00	30,000.00	(29,800.00)
Professional Development	40,000.00	23,400.00	50,000.00	(26,600.00)
Special Education	1,473,143.58	1,515,000.00	1,614,160.00	(99,160.00)
Career & Postsecondary Education	354,690.40	378,514.71	390,000.00	(11,485.29)
Contingency Reserve	-	-	-	-
Adjustment to Comply with Legal Maximum Budget	-	-	(157,747.00)	157,747.00
Legal General Fund Budget	7,294,729.14	7,516,169.10	7,391,321.00	
Adjustments to Budget for Qualifying Budget Credits				
Reimbursed Expenses	-	-	122,052.82	(122,052.82)
Non budgeted Fed & State Grants	-	-	2,795.28	(2,795.28)
Total Expenditures	7,294,729.14	7,516,169.10	<u>\$ 7,516,169.10</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SUPPLEMENTAL GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over Under (Under)
Receipts				
Local Sources				
Ad valorem tax	\$ 381,143.11	\$ 430,443.04	\$ 414,353.00	\$ 16,090.04
Delinquent tax	6,745.99	9,675.49	7,989.00	1,686.49
State Sources				
General aid	1,705,613.00	1,881,350.00	1,928,990.00	(47,640.00)
County Sources				
Motor vehicle tax	81,214.62	73,472.34	72,156.00	1,316.34
Operating Transfer from Other Funds				
Contingency Reserve	-	-	20,000.00	(20,000.00)
Total Receipts	2,174,716.72	2,394,940.87	\$ 2,443,488.00	\$ (48,547.13)
Expenditures				
Instruction	1,887,035.37	2,186,081.02	\$ 2,196,914.00	\$ (10,832.98)
Support Services				
Instructional Support	68,847.63	52,588.98	71,180.00	(18,591.02)
Operating Transfers to Other Funds				
At Risk K - 12	220,000.00	180,000.00	210,000.00	(30,000.00)
Bilingual Education	8,000.00	7,000.00	9,000.00	(2,000.00)
Adjustment to Comply with Legal Maximum Budget	-	-	(61,424.00)	61,424.00
Legal General Fund Budget	2,183,883.00	2,425,670.00	2,425,670.00	
Adjustments to Budget for Qualifying Budget Credits				
Reimbursed Expenses	-	-	-	-
Total Expenditures	2,183,883.00	2,425,670.00	\$ 2,425,670.00	\$ 0.00
Receipts Over (Under) Expenditures	(9,166.28)	(30,729.13)		
Unencumbered Cash, Beginning	52,771.89	43,605.61		
Unencumbered Cash, Ending	\$ 43,605.61	\$ 12,876.48		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
AT RISK 4 YEAR OLD FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over Under (Under)
Receipts				
Local Sources				
Other	\$ -	\$ -	\$ -	\$ -
Operating Transfer from Other Funds				
General	30,000.00	33,023.44	40,000.00	(6,976.56)
Total Receipts	30,000.00	33,023.44	\$ 40,000.00	\$ (6,976.56)
Expenditures				
Instruction	25,862.23	26,022.98	\$ 31,450.00	\$ (5,427.02)
Support Services	4,137.77	7,000.46	8,550.00	(1,549.54)
Total Expenditures	30,000.00	33,023.44	\$ 40,000.00	\$ (6,976.56)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
AT RISK K - 12 FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis

For the Fiscal Year Ended June 30, 2022

With Comparative Actual for the Fiscal Year Ended June 30, 2021

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Operating Transfer from Other Funds				
General	\$ 521,579.03	\$ 660,000.00	\$ 630,000.00	\$ 30,000.00
Supplemental General	220,000.00	180,000.00	210,000.00	(30,000.00)
Total Receipts	741,579.03	840,000.00	\$ 840,000.00	\$ -
Expenditures				
Instruction	717,325.17	809,254.11	\$ 814,300.00	\$ (5,045.89)
Support Services	24,253.86	30,745.89	25,700.00	5,045.89
Total Expenditures	741,579.03	840,000.00	\$ 840,000.00	\$ (0.00)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
BILINGUAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from Other Funds				
General	\$ 57,666.00	\$ 51,475.22	\$ 60,000.00	\$ (8,524.78)
Supplemental General	8,000.00	7,000.00	9,000.00	(2,000.00)
Total Receipts	65,666.00	58,475.22	\$ 69,000.00	\$ (10,524.78)
Expenditures				
Instruction	65,666.00	58,475.22	\$ 69,000.00	\$ (10,524.78)
Total Expenditures	65,666.00	58,475.22	\$ 69,000.00	\$ (10,524.78)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
VIRTUAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from Other Funds				
General	\$ 9,750.00	\$ 32,918.00	\$ 40,000.00	\$ (7,082.00)
Total Receipts	9,750.00	32,918.00	\$ 40,000.00	\$ (7,082.00)
Expenditures				
Instruction	9,750.00	32,918.00	\$ 40,000.00	\$ (7,082.00)
Total Expenditures	9,750.00	32,918.00	\$ 40,000.00	\$ (7,082.00)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CAPITAL OUTLAY FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over (Under)
Receipts				
Local Sources				
Ad valorem tax	\$ 220,045.53	\$ 232,895.46	\$ 232,314.00	\$ 581.46
Delinquent tax	2,511.18	3,716.30	4,651.00	(934.70)
Interest on idle funds	13,663.63	4,883.83	5,000.00	(116.17)
Other	281.54	-	-	-
Proceeds from Lease Purchase	400,000.00	-	-	-
County Sources				
Motor vehicle tax	34,141.37	36,693.99	36,150.00	543.99
State Sources				
State aid	180,614.00	198,922.00	199,124.00	(202.00)
Federal Sources				
FEMA	-	182,430.99	-	182,430.99
Operating Transfer from Other Funds				
General	-	77,579.63	-	77,579.63
Total Receipts	<u>851,257.25</u>	<u>737,122.20</u>	<u>\$ 477,239.00</u>	<u>\$ 259,883.20</u>
Expenditures				
Instruction	-	-	\$ -	\$ -
Facility Acquisition and				
Construction Services	1,460,074.47	38,008.53	550,000.00	(511,991.47)
Debt Service				
Lease Purchase Agreement	68,603.91	294,194.59	-	294,194.59
Total Expenditures	<u>1,528,678.38</u>	<u>332,203.12</u>	<u>550,000.00</u>	<u>(217,796.88)</u>
Adjustments to Budget for				
Qualifying Budget Credits				
Lease Purchase Agreement	-	-	-	-
Total Expenditures	<u>1,528,678.38</u>	<u>332,203.12</u>	<u>\$ 550,000.00</u>	<u>\$ (217,796.88)</u>
Receipts Over (Under) Expenditures	(677,421.13)	404,919.08		
Unencumbered Cash, Beginning	<u>787,189.61</u>	<u>109,768.48</u>		
Unencumbered Cash, Ending	<u>\$ 109,768.48</u>	<u>\$ 514,687.56</u>		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
DRIVER TRAINING FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Fees	\$ 2,828.00	\$ 5,848.00	\$ 4,040.00	\$ 1,808.00
State Sources				
State aid	1,428.00	1,586.00	2,400.00	(814.00)
Total Receipts	4,256.00	7,434.00	\$ 6,440.00	\$ 994.00
Expenditures				
Instruction	5,431.82	5,518.62	\$ 7,500.00	\$ (1,981.38)
Support Services	106.75	251.82	500.00	(248.18)
Total Expenditures	5,538.57	5,770.44	\$ 8,000.00	\$ (2,229.56)
Receipts Over (Under) Expenditures	(1,282.57)	1,663.56		
Unencumbered Cash, Beginning	23,334.97	22,052.40		
Unencumbered Cash, Ending	\$ 22,052.40	\$ 23,715.96		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
FOOD SERVICE FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over Under (Under)
Receipts				
Local Sources				
Students Reimbursable	\$ 12,321.20	\$ 168.15	\$ -	\$ 168.15
Students & Adults Nonreimbu	4,005.15	1,224.95	40,000.00	(38,775.05)
Other	-	68.87	-	68.87
State Sources				
Food service aid	4,602.76	4,202.12	-	4,202.12
Federal Sources				
Child nutrition aid	438,958.32	618,886.42	452,675.00	166,211.42
Other Federal aid	-	614.00	-	614.00
Operating Transfer from Other Funds				
General Fund	3,000.00	200.00	5,000.00	(4,800.00)
Total Receipts	462,887.43	625,364.51	\$ 497,675.00	\$ 127,689.51
Expenditures				
Operation of Non instructional Services				
Food Service Operations	462,790.69	550,000.00	\$ 550,000.00	\$ -
Total Expenditures	462,790.69	550,000.00	\$ 550,000.00	\$ -
Receipts Over (Under) Expenditures	96.74	75,364.51		
Unencumbered Cash, Beginning	75,894.14	75,990.88		
Unencumbered Cash, Ending	\$ 75,990.88	\$ 151,355.39		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
PROFESSIONAL DEVELOPMENT FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over (Under)
Receipts				
State Sources				
State aid	\$ 9,348.00	\$ -		\$ -
Operating Transfer from Other Funds				
General Fund	40,000.00	23,400.00	50,000.00	(26,600.00)
Total Receipts	49,348.00	23,400.00	\$ 50,000.00	\$ (26,600.00)
Expenditures				
Support Services	40,568.07	23,434.42	\$ 72,500.00	\$ (49,065.58)
Total Expenditures	40,568.07	23,434.42	\$ 72,500.00	\$ (49,065.58)
Receipts Over (Under) Expenditures	8,779.93	(34.42)		
Unencumbered Cash, Beginning	59,433.74	68,213.67		
Unencumbered Cash, Ending	\$ 68,213.67	\$ 68,179.25		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SUMMER SCHOOL FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from Other Funds				
General Fund	\$ -	\$ -	\$ -	\$ -
Total Receipts	-	-	\$ -	\$ -
Expenditures				
Instruction	-	-	\$ -	\$ -
Total Expenditures	-	-	\$ -	\$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	0.08	0.08		
Unencumbered Cash, Ending	\$ 0.08	\$ 0.08		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SPECIAL EDUCATION FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over - (Under)
Receipts				
Local Sources				
Other	\$ 16,648.16	\$ 13,918.79	\$ 15,000.00	\$ (1,081.21)
Federal Sources				
ESSER	16,164.00	24,910.00	49,822.00	(24,912.00)
Operating Transfer from other Funds				
General	1,473,143.58	1,515,000.00	1,614,160.00	(99,160.00)
Total Receipts	1,505,955.74	1,553,828.79	\$ 1,678,982.00	\$ (125,153.21)
Expenditures				
Instruction	1,435,615.00	1,486,871.00	\$ 1,658,002.00	\$ (171,131.00)
Support Services				
Student Support	3,283.77	1,970.66	5,000.00	(3,029.34)
Transportation Services	66,751.26	65,209.33	94,000.00	(28,790.67)
Total Expenditures	1,505,650.03	1,554,050.99	\$ 1,757,002.00	\$ (202,951.01)
Receipts Over (Under) Expenditures	305.71	(222.20)		
Unencumbered Cash, Beginning	345,956.68	346,262.39		
Unencumbered Cash, Ending	\$ 346,262.39	\$ 346,040.19		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CAREER AND POSTSECONDARY EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Other	\$ -	\$ -	\$ -	\$ -
Federal Sources				
Federal aid	-	-	-	-
Operating Transfer from Other Funds				
General Fund	354,690.40	378,514.71	390,000.00	(11,485.29)
Total Receipts	354,690.40	378,514.71	\$ 390,000.00	\$ (11,485.29)
Expenditures				
Instruction	354,690.40	378,514.71	\$ 390,000.00	\$ (11,485.29)
Support Services				
Transportation Services	-	-	-	-
Total Expenditures	354,690.40	378,514.71	\$ 390,000.00	\$ (11,485.29)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
KPERS RETIREMENT FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over Under (Under)
Receipts				
State Sources				
KPERS Contributions	\$ 793,002.08	\$ 846,079.87	\$ 968,255.00	\$ (122,175.13)
Total Receipts	<u>793,002.08</u>	<u>846,079.87</u>	<u>\$ 968,255.00</u>	<u>\$ (122,175.13)</u>
Expenditures				
Instruction	552,671.54	586,332.28	\$ 815,455.00	\$ (229,122.72)
Support Services				
Student Support	39,630.48	44,544.04	23,000.00	21,544.04
Instructional Support	29,302.63	27,223.14	18,000.00	9,223.14
General Administration	24,338.58	28,924.19	18,000.00	10,924.19
School Administration	52,350.83	55,028.45	35,000.00	20,028.45
Business Office	9,564.37	9,837.86	6,300.00	3,537.86
Operations and Maintenance	49,173.84	56,250.83	25,000.00	31,250.83
Transportation Services	14,774.82	16,654.70	11,500.00	5,154.70
Operation and Non instructional Services				
Food Service Operations	<u>21,194.99</u>	<u>21,284.38</u>	<u>16,000.00</u>	<u>5,284.38</u>
Total Expenditures	<u>793,002.08</u>	<u>846,079.87</u>	<u>\$ 968,255.00</u>	<u>\$ (122,175.13)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CONTINGENCY RESERVE FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Other Funds		
General	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Operating Transfers to Other Funds		
Supplemental General	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	300,000.00	300,000.00
Unencumbered Cash, Ending	\$ 300,000.00	\$ 300,000.00

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
TEXTBOOK RENTAL FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Local Sources		
Fines	\$ 3,515.52	\$ 585.00
Textbook rental	55,386.00	56,490.00
	<u>58,901.52</u>	<u>57,075.00</u>
Total Receipts		
Expenditures		
Instruction	19,655.77	12,134.19
	<u>19,655.77</u>	<u>12,134.19</u>
Total Expenditures		
Receipts Over (Under) Expenditures	39,245.75	44,940.81
Unencumbered Cash, Beginning	92,406.29	131,652.04
Unencumbered Cash, Ending	<u>\$ 131,652.04</u>	<u>\$ 176,592.85</u>

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
TITLE I FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title I Aid	\$ 123,614.00	\$ 120,508.00
Title IVA Aid	15,553.00	15,865.00
Total Receipts	139,167.00	136,373.00
Expenditures		
Instruction	139,167.00	136,373.00
Total Expenditures	139,167.00	136,373.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
TITLE II FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title II Improving Teacher Quality	\$ 19,029.00	\$ 17,337.00
Total Receipts	19,029.00	17,337.00
Expenditures		
Instruction	19,029.00	17,337.00
Total Expenditures	19,029.00	17,337.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
ESSER FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Federal Sources		
ESSER Grant	<u>\$ -</u>	<u>\$ 414,589.00</u>
Total Receipts	<u>-</u>	<u>414,589.00</u>
Expenditures		
Instruction	192,097.88	344,488.85
Student Support	<u>-</u>	<u>-</u>
Total Expenditures	<u>192,097.88</u>	<u>380,210.37</u>
Receipts Over (Under) Expenditures	(192,097.88)	34,378.63
Unencumbered Cash, Beginning	<u>-</u>	<u>(192,097.88)</u>
Unencumbered Cash, Ending	<u>\$ (192,097.88)</u>	<u>\$ (157,719.25)</u>

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CARES FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
CARES Grant	\$ 100,659.00	\$ -
Total Receipts	100,659.00	-
Expenditures		
Instruction	100,659.00	-
Total Expenditures	100,659.00	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
RECREATION FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over - (Under)
Receipts				
Local Sources				
Ad valorem tax	\$ 58,225.08	\$ 54,523.51	\$ 54,460.00	\$ 63.51
Delinquent tax	879.78	1,213.90	1,224.00	(10.10)
County Sources				
Motor vehicle tax	11,168.67	10,665.21	10,482.00	183.21
Total Receipts	70,273.53	66,402.62	\$ 66,166.00	\$ 236.62
Expenditures				
Community Service Operations	72,000.00	69,999.69	\$ 70,000.00	\$ (0.31)
Total Expenditures	72,000.00	69,999.69	\$ 70,000.00	\$ (0.31)
Receipts Over (Under) Expenditures	(1,726.47)	(3,597.07)		
Unencumbered Cash, Beginning	5,561.48	3,835.01		
Unencumbered Cash, Ending	\$ 3,835.01	\$ 237.94		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
BOND AND INTEREST FUND

Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

With Comparative Actual for the Fiscal Year Ended June 30, 2021

		Current Year		Variance -
	Prior Year Actual	Actual	Budget	Over Under
Receipts				
Local Sources				
Ad valorem tax	\$ 161,339.15	\$ 8,208.16	\$ 7,933.00	\$ 275.16
Delinquent tax	2,488.08	3,457.95	3,392.00	65.95
Other	128.65	5.98	-	5.98
County Sources				
Motor vehicle tax	30,967.61	29,346.55	29,037.00	309.55
State Sources				
State aid	302,488.00	3,163,939.00	3,163,939.00	-
Total Receipts	497,411.49	3,204,957.64	\$ 3,204,301.00	\$ 656.64
Expenditures				
Debt Service				
Principal	300,000.00	3,960,000.00	\$ 3,960,000.00	\$ -
Interest	87,805.67	44,985.50	44,986.00	(0.50)
Other	-	-	1,000.00	(1,000.00)
Total Expenditures	387,805.67	4,004,985.50	\$ 4,005,986.00	\$ (1,000.50)
Receipts Over (Under) Expenditures	109,605.82	(800,027.86)		
Unencumbered Cash, Beginning	941,881.23	1,051,487.05		
Unencumbered Cash, Ending	\$ 1,051,487.05	\$ 251,459.19		

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
GIFTS AND GRANTS FUND**

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Local Sources		
Other	\$ 112,367.40	\$ 123,752.20
State Sources		
State aid	-	50.00
Federal Sources		
Covid Testing Grant	-	30,094.68
Total Receipts	<u>112,367.40</u>	<u>153,896.88</u>
Expenditures		
Instruction	116,318.52	127,845.65
Support Services	-	133,934.27
Construction Services	-	-
Total Expenditures	<u>116,318.52</u>	<u>261,779.92</u>
Receipts Over (Under) Expenditures	(3,951.12)	(107,883.04)
Unencumbered Cash, Beginning	<u>7,687.77</u>	<u>3,736.65</u>
Unencumbered Cash, Ending	<u>\$ 3,736.65</u>	<u>\$ (104,146.39)</u>

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
FEMA GRANT FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Federal Sources		
Other Federal Aid	<u>877,395.73</u>	<u>-</u>
Total Receipts	<u>877,395.73</u>	<u>-</u>
Expenditures		
Instruction	-	-
Construction Services	<u>877,395.73</u>	<u>-</u>
Total Expenditures	<u>877,395.73</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
OTHER GRANTS FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Federal Sources		
Other Federal Aid	\$ 183,973.00	\$ -
Total Receipts	<u>183,973.00</u>	<u>-</u>
Expenditures		
Instruction	84,300.73	10,588.18
Support Services	<u>-</u>	<u>-</u>
Total Expenditures	<u>84,300.73</u>	<u>10,588.18</u>
Receipts Over (Under) Expenditures	99,672.27	(10,588.18)
Unencumbered Cash, Beginning	<u>(99,672.27)</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ (10,588.18)</u>

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SCHOLARSHIP FUND

Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2022
With Comparative Actual for the Fiscal Year Ended June 30, 2021

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Local Sources		
Interest earned	\$ 134.09	\$ 201.31
Other	4,700.00	9,070.00
Total Receipts	<u>4,834.09</u>	<u>9,271.31</u>
Expenditures		
School Activities		
Scholarships	7,950.00	7,300.00
Total Expenditures	<u>7,950.00</u>	<u>7,300.00</u>
Receipts Over (Under) Expenditures	(3,115.91)	1,971.31
Unencumbered Cash, Beginning	<u>42,900.25</u>	<u>39,784.34</u>
Unencumbered Cash, Ending	<u>\$ 39,784.34</u>	<u>\$ 41,755.65</u>

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
AGENCY FUNDS**

Schedule of Receipts and Disbursements - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Agency Funds				
Student Organizations				
High School	\$ 70,909.33	\$ 192,734.64	\$ 178,961.95	\$ 84,682.02
Junior High School	11,569.84	28,193.54	21,716.24	18,047.14
Grade School	7,093.56	1,255.00	2,722.42	5,626.14
Total Agency Funds	<u>\$ 89,572.73</u>	<u>\$ 222,183.18</u>	<u>\$ 203,400.61</u>	<u>\$ 108,355.30</u>

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
DISTRICT ACTIVITY FUNDS

Schedule of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add		Ending Cash Balance June 30, 2022
					Encumbrances and Accounts Payable		
Gate Receipts							
High School	\$ 2,813.21	\$ 63,596.53	\$ 58,051.68	\$ 8,358.06	\$ -	\$	8,358.06
Junior High School	6,120.89	9,660.69	12,471.94	3,309.64	-		3,309.64
Total Gate Receipts	8,934.10	73,257.22	70,523.62	11,667.70	-		11,667.70
Totals	\$ 8,934.10	\$ 73,257.22	\$ 70,523.62	\$ 11,667.70	\$ -	\$	11,667.70

UNIFIED SCHOOL DISTRICT #249

FEDERAL COMPLIANCE SECTION

For the Fiscal Year Ended June 30, 2022

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AMOUNT RECEIVED	AMOUNT EXPENDED
<u>U.S. Department of Agriculture</u>			
Passed Through the State of Kansas Department of Education:			
School Breakfast Program	10.553	\$ 172,694.86	\$ 172,694.86
National School Lunch Program	10.555	422,691.20	422,691.20
Summer Food Service	10.559	23,500.36	23,500.36
School Nutrition Cluster		618,886.42	618,886.42
COVID Coronavirus Aid cv	10.649	614.00	614.00
		<u>619,500.42</u>	<u>619,500.42</u>
<u>U.S. Department of Education</u>			
Passed Through the State of Kansas Department of Education			
Title I	84.010	120,508.00	120,508.00
Improving Teacher Quality	84.367	17,982.28	17,982.28
Academic Enrichment Flow Thru Grant	84.424	15,865.00	15,865.00
Element & Secondary School Emerg Relief cv	84.425	439,499.00	405,120.37
		<u>593,854.28</u>	<u>559,475.65</u>
<u>U.S. Department of Health and Human Services</u>			
Passed Through the State of Kansas Department of Education:			
COVID Testing grant cv	93.323	30,094.68	135,068.00
Student Succeeds Act/Preschool Development	93.434	-	10,588.18
		<u>30,094.68</u>	<u>145,656.18</u>
<u>U.S. Department of Homeland Security</u>			
Direct Grant			
Hazard Mitigation Grant Program	97.039	182,430.99	182,430.99
		<u>182,430.99</u>	<u>182,430.99</u>
TOTALS		<u><u>\$ 1,425,880.37</u></u>	<u><u>\$ 1,507,063.24</u></u>

Notes to the Schedule of Expenditures of Federal Awards:

Expenses in this schedule are presented in accordance with the regulatory basis of accounting and include amounts paid, accounts payable for goods or services received, and encumbrances for amounts ordered or contracted for.

There were no subrecipients paid by the District.

Pass thru entities did not assign a specific identifying number.

The District did not use the 10% de minimus rate for indirect costs.

cv = Coronavirus Grants

Diehl Banwart Bolton

Certified Public Accountants P.A.

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

To the Board of Education
Unified School District #249
Frontenac, Kansas 66763

compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. Unified District #249's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is

higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

October 31, 2022
Fort Scott, Kansas

Diehl Banwart Bolton

Certified Public Accountants P.A.

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

To the Board of Education
Unified School District #249
Fort Scott, Kansas 66701

We have audited, in accordance with 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 statements of Unified School District #249 as of the year ended June 30, 2022, and have issued our report thereon dated October 31, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, 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 over financial reporting 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 significant deficiencies or material weaknesses. Therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

October 31, 2022

Fort Scott, Kansas

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS**

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

SECTION I: SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:

The auditors' report was adverse for departures from accounting principles generally accepted in the United State of America due to the preparation of the financial statements in accordance with the Kansas regulatory basis of accounting. An unmodified opinion on the regulatory basis of accounting financial statement of the government was issued.

Internal control over financial reporting:

- | | | | | |
|---|-------|-----|--------------|---------------|
| • Material weakness identified? | _____ | Yes | <u> X </u> | No |
| • Significant deficiency identified? | _____ | Yes | <u> X </u> | None reported |
| • Noncompliance material to financial statements noted? | _____ | Yes | <u> X </u> | No |

FEDERAL AWARDS

Internal control over major programs:

- | | | | | |
|--------------------------------------|-------|-----|--------------|---------------|
| • Material weakness identified? | _____ | Yes | <u> X </u> | No |
| • Significant deficiency identified? | _____ | Yes | <u> X </u> | None reported |

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of the Uniform Guidance?

_____ Yes X No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
10.553, 10.555, 10.559	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS**

**Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022**

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs required to be disclosed under the Uniform Guidance.

**UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS**

**Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2021**

No audit findings relative to the federal award programs.