UNIFIED SCHOOL DISTRICT NO. 291
GRINNELL, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended June 30, 2021

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Financial Statement With Independent Auditors' Report
For the Year Ended June 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District No. 291 Grinnell, Kansas
Grinnell, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Unified School District No. 291 Grinnell, Kansas** as of and for the year ended June 30, 2021 and the related notes to the financial statement.

Management's Responsibility for the Financial 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 and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 1, the financial statement is prepared by **Unified School District No. 291 Grinnell, Kansas** on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting*

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Unified School District No. 291 Grinnell, Kansas** as of June 30, 2021, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Unified School District No. 291 Grinnell, Kansas** as of June 30, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other 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 summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of **Unified School District No. 291 Grinnell, Kansas** as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated September 21, 2020, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://admin.ks.gov/offices/chief-financial-officer/municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and

expenditures – actual and budget for the year ended June 30, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 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 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2020, on the basis of accounting described in Note 1.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Colby, Kansas

September 20, 2021

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Governmental Type Funds							
General Funds							
General Fund	$ -	-	1,178,761	1,178,761	**-**	14,743	**14,743**
Supplemental General Fund	7,735	-	237,267	230,000	**15,002**	3,983	**18,985**
Special Purpose Funds							
At Risk (4 Year Old) Fund	44,708	-	39,991	28,824	**55,875**	135	**56,010**
At Risk (K-12) Fund	317	-	81,280	80,069	**1,528**	2,003	**3,531**
Capital Outlay Fund	378,900	-	300,467	374,169	**305,198**	38,619	**343,817**
Food Service Fund	20,269	-	88,464	83,759	**24,974**	-	**24,974**
Professional Development Fund	8,211	-	3,733	3,444	**8,500**	20	**8,520**
Vocational Education Fund	-	-	3,198	3,198	**-**	-	**-**
Special Education Fund	250,067	-	236,787	208,353	**278,501**	-	**278,501**
KPERS Special Retirement Fund	-	-	96,205	96,205	**-**	-	**-**
Contingency Reserve Fund	114,424	-	10,757	10,181	**115,000**	10,181	**125,181**
REAP Grant Fund	-	-	3,600	3,600	**-**	-	**-**
Title I Low Income Fund	-	-	14,374	14,374	**-**	-	**-**
Gifts and Grants Fund	2,211	-	14,462	13,489	**3,184**	809	**3,993**
Title IIA (Reap) Fund	-	-	3,453	3,453	**-**	919	**919**
Title IVA Fund	-	-	10,441	10,441	**-**	943	**943**
ESSER Fund	-	-	8,002	8,002	**-**	124	**124**
Federal Funds Fund	-	-	51,600	51,600	**-**	-	**-**
District Activity Funds	14,864	-	21,170	23,890	**12,144**	95	**12,239**
Total Reporting Entity (Excluding Agency Funds)	$ 841,706	-	2,404,012	2,425,812	**819,906**	72,574	**892,480**

Composition of Cash		
Certificates of Deposit	$	**451,539**
Checking Accounts		**442,638**
Cash on Hand		**225**
Total Cash		**894,402**
Agency Funds per Schedule 3		**(1,922)**
Total Reporting Entity (Excluding Agency Funds)	$	**892,480**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 291 Grinnell, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. A related municipal entity is an entity established to benefit the District and/or its constituents. The District has no related municipal entities.

Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2021.

Regulatory Basis Fund Types

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – 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.

Agency Fund – fund used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Accounting

Regulatory Basis of Accounting and Departure 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.

Reimbursements
The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

NOTE 2 – 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), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.

d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 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 revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Contingency Reserve Fund, REAP Grant Fund, Title I Low Income Fund, Title IIA (Reap) Fund, Title IVA Fund, ESSER Fund, Federal Funds Fund, and District Activity Funds.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

Unified School District No. 291 Grinnell, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

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

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not use "peak periods". All deposits were legally secured at June 30, 2021.

At June 30, 2021, the District's carrying amount of deposits was $894,402 and the bank balance was $1,023,362. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $697,436 was covered by federal depository insurance and $325,926 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial Credit Risk – Investments
For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments at June 30, 2021.

NOTE 4 – IN-SUBSTANCE RECEIPT IN TRANSIT

Unified School District No. 291 Grinnell, Kansas received $53,138 subsequent to June 30, 2021 and as required by K.S.A. 72-5135, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2021.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 291 Grinnell, Kansas'** interfund transfers and regulatory authority for the year ended June 30, 2021 were as follows:

From	To	Regulatory Authority		Amount
General Fund	Capital Outlay Fund	K.S.A. 72-5167	$	11,296
General Fund	Special Education Fund	K.S.A. 72-5167		205,665
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167		63,478
General Fund	Professional Development Fund	K.S.A. 72-5167		3,199

General Fund	Vocational Education Fund	K.S.A. 72-5167	$ 3,198
General Fund	Food Service Fund	K.S.A. 72-5167	140
General Fund	Contingency Reserve Fund	K.S.A. 72-5167	10,757
Supplemental General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-5143	39,991
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	8,322
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	26,108
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	17,802

NOTE 6 – LITIGATION

Unified School District No. 291 Grinnell, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the District.

NOTE 7 – RISK MANAGEMENT

Unified School District No. 291 Grinnell, Kansas carries commercial insurance for risks of loss, including property, general liability, inland marine, automobile, workers compensation, cybersolutions, public officials, and employment liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 8 – GRANTS AND SHARED REVENUES

Unified School District No. 291 Grinnell, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 9 – DEFERRED COMPENSATION PLAN

Unified School District No. 291 Grinnell, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 403(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

NOTE 10 – SALARY REDUCTION PLAN

$50 per month will be contributed by the District for each part-time employee to the District's Section 125 Plan. In addition, part-time employees also will receive a prorated increase up to $350 annually to the District's Section 125 Plan. $104.17 per month will be contributed by the District for each full-time employee to the District's Section 125 Plan. The employer contribution may be made up of non-elective contributions and/or elective contributions authorized by each participant on a salary reduction basis or taken as cash as designated by the employee. Payments to employees under this plan were $21,182 for the year ended June 30, 2021.

NOTE 11 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description
Unified School District No. 291 Grinnell, Kansas 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 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.15% and 14.41%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021.

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

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the KPERS School Group. A payment of $56 million was paid in fiscal year 2018. This bill also authorized a payment of $82 million in fiscal year 2019. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $96,205 for the year ended June 30, 2021.

Net Pension Liability

At June 30, 2021, the District's proportionate share of the collective net pension liability reported by KPERS was $1,092,920. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year

ended June 30, 2020. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **Unified School District No. 291 Grinnell, Kansas** 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, 2021.

NOTE 13 – COMPENSATED ABSENCES

Sick Leave

All full-time employees are entitled to 10 days of sick leave per year. Any unused sick leave shall be allowed to accumulate to a total of 75 days, which can be carried forward to the new contract year. Any teacher who has taught in the school district for at least 5 years and resigns prior to May 1 of the current school year will be entitled to receive $35 per day for each day of accumulated sick leave with a maximum of $2,625. Teachers with less than 5 years that resign prior to May 1 of the current school year will be entitled to receive $17.50 per day of accumulated sick leave.

Any full-time classified staff that has worked for the District at least 5 years and gives at least a 4 week notice of resignation will be entitled to receive $35 per day for each day of accumulated sick leave with a maximum of $2,625. Any full-time staff member with less than 5 years that gives 4 weeks notice of resignation will be entitled to payment of $17.50 per day of accumulated sick leave.

Compensatory Time

Classified personnel may elect to earn compensatory time for work over 40 hours in a work week at a rate of not less than 1.5 hours for each hour worked over 40 hours in lieu of overtime. At the end of each contract year, unused compensatory time will be paid at the employee's current hourly rate of pay. There was no unused compensatory time at year end.

NOTE 14 – RISKS AND UNCERTAINTIES

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity

and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2022.

NOTE 15 – CRF AND CARES ACT FUNDING

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). SPARK's first round distribution was to local governments in the amount of $400 million. The District received CRF in the amount of $51,600 during 2020-2021. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found at https://covid.ks.gov/.

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS

Regulatory-Required Supplementary Information

Schedule 1

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	**Expenditures Chargeable to Current Year**	Variance Over (Under)
Governmental Type Funds						
General Funds						
General Fund	$ 983,249	(36,095)	231,607	1,178,761	**1,178,761**	-
Supplemental General Fund	230,000	-	-	230,000	**230,000**	-
Special Purpose Funds						
At Risk (4 Year Old) Fund	44,707	-	-	44,707	**28,824**	(15,883)
At Risk (K-12) Fund	98,042	-	-	98,042	**80,069**	(17,973)
Capital Outlay Fund	480,887	-	-	480,887	**374,169**	(106,718)
Food Service Fund	82,357	-	2,691	85,048	**83,759**	(1,289)
Professional Development Fund	9,621	-	-	9,621	**3,444**	(6,177)
Vocational Education Fund	10,000	-	-	10,000	**3,198**	(6,802)
Special Education Fund	383,536	-	-	383,536	**208,353**	(175,183)
KPERS Special Retirement Fund	108,748	-	-	108,748	**96,205**	(12,543)
Gifts and Grants Fund	42,211	-	-	42,211	**13,489**	(28,722)

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
Mineral Severance Tax	$ 3,145	**1,383**	3,078	(1,695)
Grants/Reimbursements	224,981	**230,126**	-	230,126
State Aid- Kansas Reading	201	**-**	-	-
State Aid- Mentor Teachers	-	**1,481**	-	1,481
State Aid	785,259	**829,566**	846,702	(17,136)
State Aid - Special Education Aid	129,848	**116,205**	133,469	(17,264)
Total Receipts	1,143,434	**1,178,761**	983,249	195,512
Expenditures				
Instruction	508,525	**538,888**	605,750	(66,862)
Student Support Services	96,091	**91,696**	5,500	86,196
Instructional Support Services	4,264	**863**	-	863
General Administration	69,489	**72,934**	70,200	2,734
School Administration	54,124	**24,460**	-	24,460
Operations and Maintenance	48,706	**19,681**	-	19,681
Transportation	37,463	**72,712**	50,907	21,805
Other Support Services	68,746	**59,794**	47,500	12,294
Transfers Out	256,026	**297,733**	203,392	94,341
Adjustment to Comply With Legal Max	-	**-**	(36,095)	36,095
Legal General Fund Budget	1,143,434	**1,178,761**	947,154	231,607
(a) Adjustment for Qualifying Budget Credits	-	**-**	231,607	(231,607)
Total Expenditures	1,143,434	**1,178,761**	1,178,761	-
Receipts Over (Under) Expenditures	-	**-**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**-**		

(a) Adjustment for Qualifying Budget Credits

State Aid- Mentor Teachers Over Amount Budgeted	$ 1,481
Grants/Reimbursements Over Amount Budgeted	230,126
Total	$ 231,607

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 205,888	**221,325**	224,490	(3,165)
Delinquent Tax	727	**1,696**	2,622	(926)
Motor Vehicle Tax	13,803	**14,023**	12,471	1,552
Recreational Vehicle Tax	192	**223**	155	68
Total Receipts	220,610	**237,267**	239,738	(2,471)
Expenditures				
Instruction	8,173	**7,076**	25,500	(18,424)
General Administration	15,727	**83,263**	78,844	4,419
Operations and Maintenance	44,612	**46,661**	101,000	(54,339)
Transportation	7,117	**777**	-	777
Transfers Out	154,371	**92,223**	24,656	67,567
Total Expenditures	230,000	**230,000**	230,000	-
Receipts Over (Under) Expenditures	(9,390)	**7,267**		
Unencumbered Cash - Beginning	17,125	**7,735**		
Unencumbered Cash - Ending	$ 7,735	**15,002**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
At Risk (4 Year Old) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Transfers In	$ 27,678	**39,991**	-	39,991
Expenditures				
Instruction	25,033	**28,824**	44,707	(15,883)
Receipts Over (Under) Expenditures	2,645	**11,167**		
Unencumbered Cash - Beginning	42,063	**44,708**		
Unencumbered Cash - Ending	$ 44,708	**55,875**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
Federal Aid	$ -	**-**	10,000	(10,000)
Transfers In	60,378	**81,280**	87,725	(6,445)
Total Recipts	60,378	**81,280**	97,725	(16,445)
Expenditures				
Instruction	60,775	**80,069**	98,042	(17,973)
Receipts Over (Under) Expenditures	(397)	**1,211**		
Unencumbered Cash - Beginning	714	**317**		
Unencumbered Cash - Ending	$ 317	**1,528**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 100,289	**101,462**	96,667	4,795
Delinquent Tax	246	**732**	1,286	(554)
Motor Vehicle Tax	4,950	**4,713**	3,985	728
Recreational Vehicle Tax	69	**74**	49	25
Transfers In	59,996	**11,296**	-	11,296
Insurance Proceeds	418,814	**174,072**	-	174,072
Other Local Revenue	7,232	**8,118**	-	8,118
Total Receipts	591,596	**300,467**	101,987	198,480
Expenditures				
Instruction	21,183	**54,603**	55,000	(397)
Student Support Services	-	**-**	18,000	(18,000)
Instructional Support Services	-	**-**	40,000	(40,000)
General Administration	2,232	**-**	5,093	(5,093)
School Administration	641	**-**	5,000	(5,000)
Central Services	990	**-**	-	-
Other Support Services	-	**351**	-	351
Operations and Maintenance	432,023	**319,215**	322,794	(3,579)
Transportation	43,704	**-**	35,000	(35,000)
Total Expenditures	500,773	**374,169**	480,887	(106,718)
Receipts Over (Under) Expenditures	90,823	**(73,702)**		
Unencumbered Cash - Beginning	288,077	**378,900**		
Unencumbered Cash - Ending	$ 378,900	**305,198**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 651	**744**	408	336
Federal Aid	30,011	**74,249**	28,940	45,309
Services	16,272	**2,318**	25,886	(23,568)
Interest	9,271	**2,691**	-	2,691
Transfers In	6,200	**8,462**	6,854	1,608
Total Receipts	62,405	**88,464**	62,088	26,376
Expenditures				
Operations and Maintenance	-	**-**	5,495	(5,495)
Food Service Operation	63,200	**83,759**	76,862	6,897
(a) Adjustment for Qualifying Budget Credit	-	**-**	2,691	(2,691)
Total Expenditures	63,200	**83,759**	85,048	(1,289)
Receipts Over (Under) Expenditures	(795)	**4,705**		
Unencumbered Cash - Beginning	21,064	**20,269**		
Unencumbered Cash - Ending	$ 20,269	**24,974**		

(a) Adjustment for Qualifying Budget Credit

Interest Over Amount Budgeted	$ 2,691

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Intergonvernmental Revenues				
State Aid	$ 644	**534**	1,410	(876)
Transfers In	5,500	**3,199**	-	3,199
Total Receipts	6,144	**3,733**	1,410	2,323
Expenditures				
Instructional Support Services	5,577	**3,444**	9,621	(6,177)
Receipts Over (Under) Expenditures	567	**289**		
Unencumbered Cash - Beginning	7,644	**8,211**		
Unencumbered Cash - Ending	$ 8,211	**8,500**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Vocational Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Transfers In	$ 4,436	**3,198**	10,000	(6,802)
Expenditures				
Instruction	4,436	**3,198**	10,000	(6,802)
Receipts Over (Under) Expenditures	-	**-**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**-**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Local Sources	$ 8,162	**2,822**	-	2,822
Intergovernmental Revenues				
Federal Aid	-	**2,192**	-	2,192
Transfers In	246,209	**231,773**	133,469	98,304
Total Receipts	254,371	**236,787**	133,469	103,318
Expenditures				
Instruction	232,448	**208,353**	383,536	(175,183)
Receipts Over (Under) Expenditures	21,923	**28,434**		
Unencumbered Cash - Beginning	228,144	**250,067**		
Unencumbered Cash - Ending	$ 250,067	**278,501**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
KPERS Special Retirement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 99,604	**96,205**	108,748	(12,543)
Expenditures				
Instruction	71,560	**69,132**	75,000	(5,868)
General Administration	7,357	**7,103**	14,000	(6,897)
School Administration	5,863	**5,660**	6,848	(1,188)
Other Supplemental Services	4,397	**4,245**	1,250	2,995
Operations and Maintenance	6,660	**6,429**	7,500	(1,071)
Food Service Operation	3,767	**3,636**	4,150	(514)
Total Expenditures	99,604	**96,205**	108,748	(12,543)
Receipts Over (Under) Expenditures	-	**-**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**-**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Contingency Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	**Current Year Actual**
Receipts			
Transfers In	$	-	**10,757**
Expenditures			
Instructional		-	**10,181**
Receipts Over (Under) Expenditures		-	**576**
Unencumbered Cash - Beginning		114,424	**114,424**
Unencumbered Cash - Ending	$	114,424	**115,000**

Schedule 2-12

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
REAP Grant Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Federal Aid	$	14,469	**3,600**
Expenditures			
Instruction		14,469	**3,600**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**-**

Schedule 2-13

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Title I Low Income Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Federal Aid	$	9,629	**14,374**
Expenditures			
Instruction		9,629	**14,374**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**-**

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Donations	$ 3,362	**11,953**	40,000	(28,047)
Intergovernmental Revenues				
Federal Aid	2,500	**-**	-	-
State Aid	2,500	**2,509**	-	2,509
Total Receipts	8,362	**14,462**	40,000	(25,538)
Expenditures				
Instruction	7,983	**13,489**	42,211	(28,722)
Receipts Over (Under) Expenditures	379	**973**		
Unencumbered Cash - Beginning	1,832	**2,211**		
Unencumbered Cash - Ending	$ 2,211	**3,184**		

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Title IIA (Reap) Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Federal Aid	$	2,661	**3,453**
Expenditures			
Instruction		2,661	**3,453**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**-**

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Title IVA Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Federal Aid	$	10,348	**10,441**
Expenditures			
Instruction		10,348	**10,441**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**-**

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
ESSER Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ -	**8,002**
Expenditures		
Instruction	-	**8,002**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Federal Funds Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ -	**51,600**
Expenditures		
Instruction	-	**51,600**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

Schedule 3

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2021

Funds	Beginning Cash Balance	Receipts	Disbursements	**Ending Cash Balance**
Student Organizations				
JH Cheerleaders	$ 30	-	-	**30**
JH Student Council	2,130	6,135	7,460	**805**
Total Student Organizations	2,160	6,135	7,460	**835**
Non-Student Organizations				
Flower Fund	254	20	50	**224**
Greenhouse Fund	410	518	83	**845**
Board Flower Fund	98	-	80	**18**
Total Non-Student Organizations	762	538	213	**1,087**
Total	$ 2,922	6,673	7,673	**1,922**

UNIFIED SCHOOL DISTRICT NO. 291 GRINNELL, KANSAS
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Middle School							
Athletics	$ 1,919	-	11,502	13,152	**269**	95	**364**
Concessions	6,577	-	9,149	9,317	**6,409**	-	**6,409**
Total Middle school	8,496	-	20,651	22,469	**6,678**	95	**6,773**
School Projects							
Annual	533	-	-	-	**533**	-	**533**
Accelerated Reader	1,000	-	38	172	**866**	-	**866**
Grade School	4,835	-	481	1,249	**4,067**	-	**4,067**
Total School Projects	6,368	-	519	1,421	**5,466**	-	**5,466**
Total District Activity Funds	$ 14,864	-	21,170	23,890	**12,144**	95	**12,239**