

**EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
EL DORADO, KANSAS**

**FINANCIAL STATEMENT
JUNE 30, 2019**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
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BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Education
El Dorado Unified School District No. 490
El Dorado, Kansas**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **El Dorado Unified School District No. 490, El Dorado, Kansas**, as of and for the year ended **June 30, 2019**, 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 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider 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.

**Board of Education
El Dorado Unified School District No. 490**

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 of the financial statement, the financial statement is prepared by **El Dorado Unified School District No. 490, El Dorado, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **El Dorado Unified School District No. 490, El Dorado, Kansas**, as of **June 30, 2019**, or changes in financial position and cash flows thereof for the year then ended.

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 **El Dorado Unified School District No. 490, El Dorado, Kansas**, as of **June 30, 2019**, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of regulatory basis cash receipts and expenditures-capital projects, agency funds schedules of regulatory basis cash receipts and disbursements and district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash (Regulatory-Required Supplementary Information 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*. The accompanying 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 not a required part of the financial statement.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

**Board of Education
El Dorado Unified School District No. 490**

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 financial statement as a whole, on the basis of accounting described in Note 1.

The 2018 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2018 basic financial statement upon which we rendered an unmodified opinion dated December 18, 2018. The 2018 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://da.ks.gov/ar/muniserv/>. Such 2018 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 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 comparative information is fairly stated in all material respects in relation to the 2018 basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2019, on our consideration of **El Dorado Unified School District No. 490, El Dorado, Kansas**, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **El Dorado Unified School District No. 490, El Dorado, Kansas** internal control over financial reporting and compliance.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
December 3, 2019

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 264	\$ 657	\$ 12,400,172	\$ 12,401,093	\$ 0	\$ 198,505	\$ 198,505
Special Purpose Funds							
Supplemental General	273,404	2,896	4,575,996	4,509,184	343,112	28,696	371,808
At Risk (4 Year Old)	5,430	0	65,339	65,431	5,338	0	5,338
At Risk (K-12)	155,065	0	2,882,951	2,938,016	100,000	0	100,000
Bilingual Education	4,936	0	8,036	0	12,972	0	12,972
Virtual Education	22,323	0	68,540	75,863	15,000	0	15,000
Capital Outlay	2,797,811	6,865	1,499,039	2,421,223	1,882,492	364,108	2,246,600
Driver Training	81,403	0	14,177	14,820	80,760	0	80,760
Food Service	107,203	0	1,046,928	1,118,302	35,829	0	35,829
Professional Development	41,912	0	89,923	101,835	30,000	3,165	33,165
Parent Education	0	0	36,544	36,544	0	287	287
Summer School	33,675	0	23,901	42,925	14,651	0	14,651
Special Education	656,979	0	2,062,971	2,421,660	298,290	0	298,290
Career and Postsecondary Education	40,000	0	338,749	353,749	25,000	0	25,000
KPERs Contribution	0	0	1,141,864	1,141,864	0	0	0
Federal Funds	3,121	0	654,815	657,899	37	45,654	45,691
Gifts and Grants	139,304	0	142,826	118,172	163,958	12,592	176,550
Contingency Reserve	1,166,320	0	0	0	1,166,320	0	1,166,320
Textbook & Student Material Revolving	40,850	0	79,085	115,215	4,720	0	4,720
District Activity Funds	58,535	0	154,964	157,550	55,949	0	55,949
Bond and Interest Fund	5,112,398	0	5,495,799	5,444,391	5,163,806	0	5,163,806
Capital Projects	1,636,381	0	708,233	1,822,710	521,904	0	521,904
	<u>\$ 12,377,314</u>	<u>\$ 10,418</u>	<u>\$ 33,490,852</u>	<u>\$ 35,958,446</u>	<u>\$ 9,920,138</u>	<u>\$ 653,007</u>	<u>\$ 10,573,145</u>

Composition of Cash:

Checking Accounts	\$ (1,029,101)
Certificates of Deposit	50,000
Money Market Accounts	11,701,155
	10,722,054
Agency Funds	(148,909)
	<u>\$ 10,573,145</u>

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

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2019

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

El Dorado Unified School District No. 490 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around El Dorado, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

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-to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than capital project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund-used to account for the accumulation of resources, including tax levies, transfers from other funds and for payment of general long-term debt.

Capital Projects Fund-used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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.)

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 accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2019

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, 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 calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one amendment for the year ended June 30, 2019.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the 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 projects funds, trust funds, and the following special purpose funds:

Federal Funds
Contingency Reserve Fund
District Activity Funds

Gifts and Grants Fund
Textbook & Student Material Revolving Fund

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 2 - In Substance Receipt in Transit:

The District received \$715,706 subsequent to June 30, 2019, and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2019

Note 3 - Defined Benefit Pension Plan:

Plan description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and 12.01%, respectively, for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and the statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year. The first year payment of \$6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2019

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 \$1,141,864 for the year ended June 30, 2019.

Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$15,579,062. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. 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, 2018. 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 4 - Interlocal Agreements:

Activity Center

The District entered into an Interlocal Agreement with the City of El Dorado, Kansas on April 21, 1994, to construct, furnish, equip, maintain and operate a community educational and recreational facility. It is located immediately adjacent to and connected with the El Dorado High School building. The District has completed its payment commitment toward the facility's cost. The District is obligated to pay all custodial services and 50% of all utilities and maintenance.

Community Stadium

On March 1, 2010, the District entered into an interlocal agreement with Butler Community College and the City of El Dorado for the creation and operation of Educational Facilities Authority of Butler County to facilitate the renovation of Blackmore Stadium and the future acquisition, lease, development, improvement, renovation, repair and operation of such other educational and athletic facilities as the Authority shall determine for the joint benefit of the College, the District, the City and members of the general public. As of the date of this report, the utility costs are split by the college and the school district and all three entities are responsible for an annual long-term maintenance payment based upon percentage of use.

Note 5 - Capital Projects:

At year-end, capital project authorization compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
Elementary School Buildings and Performance Arts Center	<u>\$ 36,896,927</u>	<u>\$ 36,375,023</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2019

Note 6 - Subsequent Events:

The District has evaluated subsequent events through December 3, 2019, the date which the financial statement was available to be issued.

Note 7 - Deposits:

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. The rating of the District's investments is noted above.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may 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%. All deposits were legally secured at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$10,722,054 and the bank balance was \$12,118,953. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$662,691 was covered by federal depository insurance and the remaining \$11,456,262 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Note 8 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

Transfer from:	Transfer to:										Total
	At Risk (4 Year Old)	At Risk (K-12)	Bilingual Education	Virtual Education	Food Service	Professional Development	Parent Education	Summer School	Special Education	Career and Postsecondary Education	
General Fund	\$ 65,339	\$ 2,168,388	\$ 0	\$ 53,540	\$ 40,000	\$ 44,706	\$ 13,011	\$ 6,251	\$ 1,904,461	\$ 292,650	\$ 4,588,346
Supplemental											
General Fund	0	714,563	8,036	15,000	0	30,000	0	13,547	131,651	23,496	936,293
	<u>\$ 65,339</u>	<u>\$ 2,882,951</u>	<u>\$ 8,036</u>	<u>\$ 68,540</u>	<u>\$ 40,000</u>	<u>\$ 74,706</u>	<u>\$ 13,011</u>	<u>\$ 19,798</u>	<u>\$ 2,036,112</u>	<u>\$ 316,146</u>	<u>\$ 5,524,639</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2019

Note 9 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the 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.

Note 10 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Note 11 - Reimbursed Expenditures:

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 the KMAAG regulatory basis of accounting.

Note 12 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These 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.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 13 - Advance Refunding of Bond Obligation:

On August 2016, the District issued \$20,720,000 of General Obligation Bonds with interest rates ranging from 2.00% to 4.00%. Of the issue \$22,669,577 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on \$20,605,000 of principal amount of the 2010-B Series Bonds until the redemption date of September 1, 2020 at which time the bonds will be retired.

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2019

Note 14 - Long-Term Debt:

Principal payments are due annually for general obligation bonds. Interest payments are due semi-annually. Principal and interest payments on the capital leases are due quarterly and annually.

Terms for long-term liabilities for the District for the year ended June 30, 2019, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2010 Series A	2.00 - 5.00	12/30/10	\$ 3,340,000	9/1/18
2010 Series B	6.63 - 7.00	12/30/10	\$ 20,605,000	9/1/35
2010 Series C	5.67	12/30/10	\$ 12,500,000	9/1/28
2012 Series	4.00 - 5.00	6/1/12	\$ 7,570,000	9/1/24
2016 Series A	2.00 - 4.00	8/1/16	\$ 20,720,000	9/1/35
2016 Series B	3.00 - 4.00	8/1/16	\$ 33,935,000	9/1/43
2017 Series A	3.00 - 4.00	6/6/17	\$ 9,080,000	9/1/30

Changes in long-term liabilities for the District for the year ended June 30, 2019, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2010 Series A	\$ 500,000	\$ 0	\$ 500,000	\$ 0	\$ 12,500
2010 Series B	20,605,000	0	0	20,605,000	1,421,050
2010 Series C	11,575,000	0	375,000	11,200,000	645,671
2012 Series	5,890,000	0	800,000	5,090,000	112,870
2016 Series A	20,720,000	0	0	20,720,000	0
2016 Series B	33,935,000	0	0	33,935,000	1,276,650
2017 Series A	9,080,000	0	0	9,080,000	300,650
	<u>\$ 102,305,000</u>	<u>\$ 0</u>	<u>\$ 1,675,000</u>	<u>\$ 100,630,000</u>	<u>\$ 3,769,391</u>

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

	Principal	Interest	
	General Obligation Bonds	General Obligation Bonds	Total Principal and Interest
2020	\$ 1,850,000	\$ 3,702,077	\$ 5,552,077
2021	22,515,000	3,278,271	25,793,271
2022	2,115,000	2,850,898	4,965,898
2023	2,205,000	2,769,121	4,974,121
2024	2,295,000	2,682,675	4,977,675
2025 - 2029	12,735,000	11,880,423	24,615,423
2030 - 2034	15,825,000	9,202,825	25,027,825
2035 - 2039	18,415,000	6,032,900	24,447,900
2040 - 2044	22,675,000	2,332,875	25,007,875
	<u>\$ 100,630,000</u>	<u>\$ 44,732,065</u>	<u>\$ 145,362,065</u>

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

Fund	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)
General Fund	\$ 12,975,138	\$ (584,638)	\$ 10,593	\$ 12,401,093	\$ 12,401,093	\$ 0
Special Purpose Funds						
Supplemental General	4,570,846	(106,386)	44,724	4,509,184	4,509,184	0
At Risk (4 Year Old)	65,431	0	0	65,431	65,431	0
At Risk (K-12)	2,938,016	0	0	2,938,016	2,938,016	0
Bilingual Education	49,936	0	0	49,936	0	(49,936)
Virtual Education	87,321	0	0	87,321	75,863	(11,458)
Capital Outlay	2,990,000	0	0	2,990,000	2,421,223	(568,777)
Driver Training	27,500	0	0	27,500	14,820	(12,680)
Food Service	1,243,000	0	0	1,243,000	1,118,302	(124,698)
Professional Development	117,500	0	0	117,500	101,835	(15,665)
Parent Education	40,000	0	0	40,000	36,544	(3,456)
Summer School	63,677	0	0	63,677	42,925	(20,752)
Special Education	2,504,577	0	0	2,504,577	2,421,660	(82,917)
Career and Postsecondary Education	331,146	0	22,603	353,749	353,749	0
KPERs Contribution	1,819,698	0	0	1,819,698	1,141,864	(677,834)
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	657,899	XXXXXXXXXX
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	118,172	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Textbook & Student Material Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	115,215	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	157,550	XXXXXXXXXX
Bond and Interest Fund	5,444,491	0	0	5,444,491	5,444,391	(100)
Capital Projects	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	1,822,710	XXXXXXXXXX
	<u>\$ 35,268,277</u>	<u>\$ (691,024)</u>	<u>\$ 77,920</u>	<u>\$ 34,655,173</u>	<u>\$ 35,958,446</u>	<u>\$ (1,568,273)</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 17,507	\$ 9,936	\$ 0	\$ 9,936
State Sources	12,079,452	12,390,236	12,974,841	(584,605)
	<u>12,096,959</u>	<u>12,400,172</u>	<u>\$ 12,974,841</u>	<u>\$ (574,669)</u>
Expenditures				
Instruction	4,862,940	4,948,726	\$ 5,486,765	\$ (538,039)
Student Support Services	26,679	86,748	26,300	60,448
Instructional Support Staff	3,324	116,513	3,200	113,313
General Administration	27,793	39,812	25,000	14,812
School Administration	899,821	1,035,460	967,500	67,960
Central Services	0	6,758	0	6,758
Operations & Maintenance	1,335,776	1,568,666	1,378,500	190,166
Student Transportation Services	10,389	10,064	0	10,064
Transfers	4,930,238	4,588,346	5,087,873	(499,527)
Adjustment to Comply with Legal Max	0	0	(584,638)	584,638
Adjustment for Qualifying Budget Credits	0	0	10,593	(10,593)
	<u>12,096,960</u>	<u>12,401,093</u>	<u>\$ 12,401,093</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(1)	(921)		
Unencumbered Cash, Beginning	0	264		
Prior Year Canceled Encumbrances	<u>265</u>	<u>657</u>		
Unencumbered Cash, Ending	<u>\$ 264</u>	<u>\$ 0</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Supplemental General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 2,824,770	\$ 3,151,610	\$ 2,784,761	\$ 366,849
County Sources	237,411	203,803	201,545	2,258
State Sources	1,047,131	1,220,583	1,249,669	(29,086)
	<u>4,109,312</u>	<u>4,575,996</u>	<u>\$ 4,235,975</u>	<u>\$ 340,021</u>
Expenditures				
Instruction	484,669	75,747	\$ 475,000	\$ (399,253)
Student Support Services	704,842	787,281	599,146	188,135
Instructional Support Staff	839,705	786,722	872,000	(85,278)
General Administration	384,546	444,649	392,500	52,149
School Administration	21,075	26,457	4,000	22,457
Central Services	186,711	187,055	198,500	(11,445)
Operations & Maintenance	887,494	816,425	885,000	(68,575)
Student Transportation Services	358,556	422,228	381,700	40,528
Other Supplemental Services	40,611	26,327	3,000	23,327
Transfers	174,571	936,293	760,000	176,293
Adjustment to Comply with Legal Max	0	0	(106,386)	106,386
Adjustment for Qualifying Budget Credits	0	0	44,724	(44,724)
	<u>4,082,780</u>	<u>4,509,184</u>	<u>\$ 4,509,184</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	26,532	66,812		
Unencumbered Cash, Beginning	246,565	273,404		
Prior Year Canceled Encumbrances	<u>307</u>	<u>2,896</u>		
Unencumbered Cash, Ending	<u>\$ 273,404</u>	<u>\$ 343,112</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>At Risk (4 Year Old) Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 59,081	\$ 65,339	\$ 60,000	\$ 5,339
	<u>59,081</u>	<u>65,339</u>	<u>\$ 60,000</u>	<u>\$ 5,339</u>
Expenditures				
Instruction	59,652	65,431	\$ 65,431	\$ 0
	<u>59,652</u>	<u>65,431</u>	<u>\$ 65,431</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(571)	(92)		
Unencumbered Cash, Beginning	6,001	5,430		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 5,430</u>	<u>\$ 5,338</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>At Risk (K-12) Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 2,591,950	\$ 2,882,951	\$ 2,782,873	\$ 100,078
	<u>2,591,950</u>	<u>2,882,951</u>	<u>\$ 2,782,873</u>	<u>\$ 100,078</u>
Expenditures				
Instruction	2,399,910	2,848,177	\$ 2,765,000	\$ 83,177
Student Support Services	194,903	70,539	161,016	(90,477)
Instructional Support Staff	18,233	17,983	12,000	5,983
School Administration	0	1,317	0	1,317
	<u>2,613,046</u>	<u>2,938,016</u>	<u>\$ 2,938,016</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(21,096)	(55,065)		
Unencumbered Cash, Beginning	176,161	155,065		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 155,065</u>	<u>\$ 100,000</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Bilingual Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 5,000	\$ 8,036	\$ 45,000	\$ (36,964)
	<u>5,000</u>	<u>8,036</u>	<u>\$ 45,000</u>	<u>\$ (36,964)</u>
Expenditures				
Instruction	5,000	0	\$ 49,936	\$ (49,936)
	<u>5,000</u>	<u>0</u>	<u>\$ 49,936</u>	<u>\$ (49,936)</u>
Receipts Over (Under) Expenditures	0	8,036		
Unencumbered Cash, Beginning	4,936	4,936		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 4,936</u>	<u>\$ 12,972</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Virtual Education Fund</u>	Prior Year	<u>Current Year</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Cash Receipts				
Transfers	\$ 45,830	\$ 68,540	\$ 65,000	\$ 3,540
	<u>45,830</u>	<u>68,540</u>	<u>\$ 65,000</u>	<u>\$ 3,540</u>
Expenditures				
Instruction	28,059	75,863	\$ 70,000	\$ 5,863
Student Support Services	<u>0</u>	<u>0</u>	<u>17,321</u>	<u>(17,321)</u>
	<u>28,059</u>	<u>75,863</u>	<u>\$ 87,321</u>	<u>\$ (11,458)</u>
Receipts Over (Under) Expenditures	17,771	(7,323)		
Unencumbered Cash, Beginning	4,552	22,323		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 22,323</u>	<u>\$ 15,000</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Capital Outlay Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 1,013,613	\$ 1,337,354	\$ 868,550	\$ 468,804
County Sources	49,424	55,670	54,958	712
State Sources	111,282	106,015	107,309	(1,294)
	<u>1,174,319</u>	<u>1,499,039</u>	<u>\$ 1,030,817</u>	<u>\$ 468,222</u>
Expenditures				
Instruction	584,063	770,191	\$ 550,000	\$ 220,191
Student Support Services	95,863	272,946	550,000	(277,054)
Instructional Support Services	390,913	255,848	500,000	(244,152)
General Administration	22,566	24,444	40,000	(15,556)
Central Services	0	0	150,000	(150,000)
Operations & Maintenance	29,805	727,303	0	727,303
Transportation	14,163	370,491	0	370,491
Other Support Services	13,088	0	0	0
Facility Acquisition & Construction Services	0	0	1,200,000	(1,200,000)
	<u>1,150,461</u>	<u>2,421,223</u>	<u>\$ 2,990,000</u>	<u>\$ (568,777)</u>
Receipts Over (Under) Expenditures	23,858	(922,184)		
Unencumbered Cash, Beginning	2,770,707	2,797,811		
Prior Year Canceled Encumbrances	<u>3,246</u>	<u>6,865</u>		
Unencumbered Cash, Ending	<u>\$ 2,797,811</u>	<u>\$ 1,882,492</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Driver Training Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 4,850	\$ 5,210	\$ 0	\$ 5,210
State Sources	7,808	8,967	8,450	517
	<u>12,658</u>	<u>14,177</u>	<u>\$ 8,450</u>	<u>\$ 5,727</u>
Expenditures				
Instruction	11,290	14,820	\$ 26,000	\$ (11,180)
Vehicle Operations, Maintenance Services	490	0	1,000	(1,000)
Other Supplemental Services	<u>0</u>	<u>0</u>	<u>500</u>	<u>(500)</u>
	<u>11,780</u>	<u>14,820</u>	<u>\$ 27,500</u>	<u>\$ (12,680)</u>
Receipts Over (Under) Expenditures	878	(643)		
Unencumbered Cash, Beginning	80,525	81,403		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 81,403</u>	<u>\$ 80,760</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Food Service Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 288,132	\$ 289,247	\$ 317,150	\$ (27,903)
State Sources	10,196	10,184	9,400	784
Federal Sources	738,463	707,497	735,908	(28,411)
Transfers	50,000	40,000	100,000	(60,000)
	<u>1,086,791</u>	<u>1,046,928</u>	<u>\$ 1,162,458</u>	<u>\$ (115,530)</u>
Expenditures				
Operations & Maintenance	51,297	54,541	\$ 54,500	\$ 41
Food Service Operation	<u>1,109,787</u>	<u>1,063,761</u>	<u>1,188,500</u>	<u>(124,739)</u>
	<u>1,161,084</u>	<u>1,118,302</u>	<u>\$ 1,243,000</u>	<u>\$ (124,698)</u>
Receipts Over (Under) Expenditures	(74,293)	(71,374)		
Unencumbered Cash, Beginning	181,496	107,203		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 107,203</u>	<u>\$ 35,829</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Professional Development Fund</u>	Prior Year	<u>Current Year</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Cash Receipts				
Local Sources	\$ 1,930	\$ 480	\$ 0	\$ 480
State Sources	11,310	14,737	12,500	2,237
Transfers	0	74,706	75,000	(294)
	<u>13,240</u>	<u>89,923</u>	<u>\$ 87,500</u>	<u>\$ 2,423</u>
Expenditures				
Instructional Support Staff	<u>66,254</u>	<u>101,835</u>	<u>\$ 117,500</u>	<u>\$ (15,665)</u>
	<u>66,254</u>	<u>101,835</u>	<u>\$ 117,500</u>	<u>\$ (15,665)</u>
Receipts Over (Under) Expenditures	(53,014)	(11,912)		
Unencumbered Cash, Beginning	94,926	41,912		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 41,912</u>	<u>\$ 30,000</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Parent Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 8,908	\$ 23,533	\$ 25,000	\$ (1,467)
Transfers	5,635	13,011	15,000	(1,989)
	<u>14,543</u>	<u>36,544</u>	<u>\$ 40,000</u>	<u>\$ (3,456)</u>
Expenditures				
Instruction	4,662	24,221	\$ 32,500	\$ (8,279)
Instructional Support Services	2,678	3,274	2,500	774
School Administration	7,203	9,049	5,000	4,049
	<u>14,543</u>	<u>36,544</u>	<u>\$ 40,000</u>	<u>\$ (3,456)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Summer School Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 4,610	\$ 4,103	\$ 0	\$ 4,103
Transfers	43,473	19,798	30,000	(10,202)
	<u>48,083</u>	<u>23,901</u>	<u>\$ 30,000</u>	<u>\$ (6,099)</u>
Expenditures				
Instruction	49,951	42,925	\$ 63,677	\$ (20,752)
	<u>49,951</u>	<u>42,925</u>	<u>\$ 63,677</u>	<u>\$ (20,752)</u>
Receipts Over (Under) Expenditures	(1,868)	(19,024)		
Unencumbered Cash, Beginning	35,516	33,675		
Prior Year Canceled Encumbrances	<u>27</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 33,675</u>	<u>\$ 14,651</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Special Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 23,598	\$ 26,859	\$ 0	\$ 26,859
Federal Sources	9,283	0	0	0
Transfers	2,039,749	2,036,112	2,400,000	(363,888)
	<u>2,072,630</u>	<u>2,062,971</u>	<u>\$ 2,400,000</u>	<u>\$ (337,029)</u>
Expenditures				
Instruction	1,913,774	2,087,676	\$ 2,225,577	\$ (137,901)
Student Support Services	74,714	93,935	74,500	19,435
Operations & Maintenance	398	9	0	9
Student Transportation Services	207,876	240,040	204,500	35,540
	<u>2,196,762</u>	<u>2,421,660</u>	<u>\$ 2,504,577</u>	<u>\$ (82,917)</u>
Receipts Over (Under) Expenditures	(124,132)	(358,689)		
Unencumbered Cash, Beginning	781,111	656,979		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 656,979</u>	<u>\$ 298,290</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

Career and Postsecondary Education Fund	Current Year		Variance -	
	Prior Year Actual	Actual	Budget	Over (Under)
Cash Receipts				
State Sources	\$ 7,508	\$ 5,797	\$ 8,640	\$ (2,843)
Federal Sources	17,363	16,806	0	16,806
Transfers	264,091	316,146	275,000	41,146
	<u>288,962</u>	<u>338,749</u>	<u>\$ 283,640</u>	<u>\$ 55,109</u>
Expenditures				
Instruction	313,863	353,749	\$ 331,146	\$ 22,603
Adjustment for Qualifying Budget Credits	0	0	22,603	(22,603)
	<u>313,863</u>	<u>353,749</u>	<u>\$ 353,749</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(24,901)	(15,000)		
Unencumbered Cash, Beginning	64,901	40,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 40,000</u>	<u>\$ 25,000</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>KPERS Contribution Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
State Sources	\$ 1,314,526	\$ 1,141,864	\$ 1,819,698	\$ (677,834)
	<u>1,314,526</u>	<u>1,141,864</u>	<u>\$ 1,819,698</u>	<u>\$ (677,834)</u>
Expenditures				
Instruction	947,774	823,284	\$ 1,284,504	\$ (461,220)
Student Support Services	177,461	154,152	316,694	(162,542)
Instructional Support Staff	28,920	25,121	35,000	(9,879)
General Administration	38,121	33,114	40,000	(6,886)
School Administration	41,144	34,256	50,000	(15,744)
Central Services	4,864	5,709	5,500	209
Operations & Maintenance	46,008	39,965	55,000	(15,035)
Student Transportation Services	14,460	12,561	15,000	(2,439)
Other Supplemental Services	0	13,702	18,000	(4,298)
Food Service Operation	15,774	0	0	0
	<u>1,314,526</u>	<u>1,141,864</u>	<u>\$ 1,819,698</u>	<u>\$ (677,834)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Bond and Interest Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 3,905,331	\$ 3,789,635	\$ 3,461,887	\$ 327,748
County Sources	228,104	287,849	284,765	3,084
State Sources	394,856	348,452	337,452	11,000
Federal Tax Credit	<u>1,084,375</u>	<u>1,069,863</u>	<u>1,100,000</u>	<u>(30,137)</u>
	<u>5,612,666</u>	<u>5,495,799</u>	<u>\$ 5,184,104</u>	<u>\$ 311,695</u>
Expenditures				
Debt Service	<u>5,576,869</u>	<u>5,444,391</u>	<u>\$ 5,444,491</u>	<u>\$ (100)</u>
	<u>5,576,869</u>	<u>5,444,391</u>	<u>\$ 5,444,491</u>	<u>\$ (100)</u>
Receipts Over (Under) Expenditures	35,797	51,408		
Unencumbered Cash, Beginning	5,076,601	5,112,398		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 5,112,398</u>	<u>\$ 5,163,806</u>		

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

<u>Federal Funds</u>			
		Prior Year Actual	Current Year Actual
Cash Receipts			
Federal Sources		\$ 665,145	\$ 654,815
		<u>665,145</u>	<u>654,815</u>
Expenditures			
Instruction		498,486	579,875
Student Support Services		2,669	3,287
Instructional Support Services		87,669	73,337
School Administration		0	1,400
		<u>588,824</u>	<u>657,899</u>
Receipts Over (Under) Expenditures		76,321	(3,084)
Unencumbered Cash, Beginning		(73,200)	3,121
Prior Year Canceled Encumbrances		<u>0</u>	<u>0</u>
Unencumbered Cash, Ending		<u>\$ 3,121</u>	<u>\$ 37</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 153,497	\$ 116,826
State Sources	<u>0</u>	<u>26,000</u>
	<u>153,497</u>	<u>142,826</u>
 Expenditures		
Instruction	<u>132,864</u>	<u>118,172</u>
	<u>132,864</u>	<u>118,172</u>
 Receipts Over (Under) Expenditures	20,633	24,654
 Unencumbered Cash, Beginning	118,671	139,304
 Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
 Unencumbered Cash, Ending	<u>\$ 139,304</u>	<u>\$ 163,958</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Other	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	1,166,320	1,166,320
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 1,166,320</u>	<u>\$ 1,166,320</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

Textbook & Student Material		
<u>Revolving Fund</u>		
	Prior Year	Current Year
	Actual	Actual
Cash Receipts		
Local Sources	\$ 88,623	\$ 79,085
	<u>88,623</u>	<u>79,085</u>
Expenditures		
Instruction	124,650	115,215
	<u>124,650</u>	<u>115,215</u>
Receipts Over (Under) Expenditures	(36,027)	(36,130)
Unencumbered Cash, Beginning	76,877	40,850
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 40,850</u>	<u>\$ 4,720</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 1,065,793	\$ 708,233
	<u>1,065,793</u>	<u>708,233</u>
Expenditures		
New Building Acquisition & Construction	0	1,822,710
	<u>0</u>	<u>1,822,710</u>
Receipts Over (Under) Expenditures	1,065,793	(1,114,477)
Unencumbered Cash, Beginning	570,588	1,636,381
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 1,636,381</u>	<u>\$ 521,904</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
El Dorado High School				
Football	\$ 2,362	\$ 1,410	\$ 3,402	\$ 370
Cross Country	1,092	0	0	1,092
Volleyball	49	872	103	818
Cheer	2,045	14,286	13,303	3,028
Boys Basketball	1,156	318	0	1,474
Girls Basketball	53	1,812	1,770	95
Wrestling	0	195	195	0
Bowling	0	25	0	25
Dance	448	900	279	1,069
Track/Field	22	0	0	22
Baseball	798	1,986	1,705	1,079
Softball	0	1,015	995	20
Golf	912	0	110	802
Girls Soccer	40	0	0	40
Art	523	0	0	523
Bookworm	1,293	29	58	1,264
Circle of Friends	1,569	150	85	1,634
Scholars Bowl	41	1,481	1,331	191
Communications	454	0	0	454
Earth Care Club	626	0	0	626
FCCLA	1,145	2,618	2,735	1,028
Debate & Forensics	756	10,406	5,498	5,664
Kaleidoscope	3,225	3,725	5,063	1,887
Kay	2,712	5,676	5,168	3,220
Math Club	273	0	0	273
National Honor Society	615	1,640	1,293	962
Orchestra Club	1,621	1,410	300	2,731
Robotics/Skills USA Club	728	1,729	2,094	363
Vocal Music Club	2,913	17,488	18,852	1,549
World Cultures Club	366	0	0	366
FCA	550	0	0	550
DECA	2,422	6,784	6,178	3,028
Art Club	86	0	0	86
Color Guard	0	443	415	28
Concessions	1,702	22,057	19,214	4,545
Crier-Ad Business	86	0	0	86
SADD	2,316	7,008	6,799	2,525
In House Training	1,002	507	16	1,493
	<u>36,001</u>	<u>105,970</u>	<u>96,961</u>	<u>45,010</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
El Dorado High School (continued)				
Sales Tax	82	8,905	8,900	87
Debate dnu	579	2,439	3,018	0
Instrumental Music	17	150	13	154
Student Council	847	2,163	1,807	1,203
Media Technology	465	0	0	465
JAG	707	1,445	1,974	178
Safety Council	1,370	3,350	2,314	2,406
Class of 2019	5,716	1,733	3,036	4,413
Class of 2020	983	4,850	3,222	2,611
Class of 2021	811	645	183	1,273
Class of 2022	538	2,125	2,003	660
Cat's Corner Store	0	358	0	358
	<u>12,115</u>	<u>28,163</u>	<u>26,470</u>	<u>13,808</u>
El Dorado Middle School				
Kay	143	162	202	103
String Fling	290	0	0	290
Concessions	9,233	18,344	21,622	5,955
Pop Machines	1,235	650	798	1,087
Stuco	678	606	466	818
	<u>11,579</u>	<u>19,762</u>	<u>23,088</u>	<u>8,253</u>
Other				
Employee Trust/HR Reserve	28,592	5,266	0	33,858
Dr. John Horner	1,589	0	100	1,489
Wiedeman	24,394	1,616	0	26,010
Broers Special Education	20,451	90	60	20,481
	<u>75,026</u>	<u>6,972</u>	<u>160</u>	<u>81,838</u>
Total Agency Funds	<u>\$ 134,721</u>	<u>\$ 160,867</u>	<u>\$ 146,679</u>	<u>\$ 148,909</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
El Dorado High School							
Gate Receipts							
Athletics - High School	\$ 30,159	\$ 0	\$ 99,766	\$ 112,249	\$ 17,676	\$ 0	\$ 17,676
Yearbook	1,504	0	9071	7759	2,816	0	2,816
Crimestoppers	361	0	0	0	361	0	361
Lillian Benson	1,854	0	0	0	1,854	0	1,854
Dramatics	4,948	0	7775	2995	9,728	0	9,728
Science Olympiad	231	0	150	150	231	0	231
Student Services	73	0	0	0	73	0	73
Lifeguard Training	609	0	0	100	509	0	509
	<u>39,739</u>	<u>0</u>	<u>116,762</u>	<u>123,253</u>	<u>33,248</u>	<u>0</u>	<u>33,248</u>

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2019

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
El Dorado Middle School							
Activity/Apparel	1,892	0	1,689	2,418	1,163	0	1,163
Boxtops	605	0	0	80	525	0	525
Circle of Friends	867	0	453	953	367	0	367
EMS Activities	0	0	1,383	1,033	350	0	350
Entry Fees	0	0	690	235	455	0	455
Fundraiser	1,206	0	1,111	859	1,458	0	1,458
Musical	5,890	0	4,824	4,068	6,646	0	6,646
Ticket Gate	4,525	0	24,072	23,383	5,214	0	5,214
Yearbook	3,811	0	2,290	0	6,101	0	6,101
Cheer	0	0	1,690	1,268	422	0	422
	<u>18,796</u>	<u>0</u>	<u>38,202</u>	<u>34,297</u>	<u>22,701</u>	<u>0</u>	<u>22,701</u>
Total District Activity Funds	<u>\$ 58,535</u>	<u>\$ 0</u>	<u>\$ 154,964</u>	<u>\$ 157,550</u>	<u>\$ 55,949</u>	<u>\$ 0</u>	<u>\$ 55,949</u>

FEDERAL AWARD INFORMATION



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITORS' REPORT

Board of Education

El Dorado Unified School District No. 490

El Dorado, Kansas

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 statement of **El Dorado Unified School District No. 490, El Dorado, Kansas**, as of and for the year ended **June 30, 2019**, and the related notes to the financial statement, which collectively comprise **El Dorado Unified School District No. 490, El Dorado, Kansas'** basic financial statement, and have issued our report thereon dated December 3, 2019. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **El Dorado Unified School District No. 490, El Dorado, Kansas'** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **El Dorado Unified School District No. 490, El Dorado, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **El Dorado Unified School District No. 490, El Dorado, Kansas'** internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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.

Board of Education
El Dorado Unified School District No. 490

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **El Dorado Unified School District No. 490, El Dorado, Kansas'** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
December 3, 2019



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITORS' REPORT

**Board of Education
Reno County Education Cooperative No. 610
Hutchinson, Kansas**

Report on Compliance for Each Major Federal Program

We have audited the compliance of **El Dorado Unified School District No. 490, El Dorado, Kansas**, with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of **El Dorado Unified School District No. 490, El Dorado, Kansas'** major federal programs for the year ended **June 30, 2019**. **El Dorado Unified School District No. 490, El Dorado, Kansas'** major federal financial programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of **El Dorado Unified School District No. 490, El Dorado, Kansas'** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Kansas Municipal Audit and Accounting Guide*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **El Dorado Unified School District No. 490, El Dorado, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of **El Dorado Unified School District No. 490, El Dorado, Kansas'** compliance.

Board of Education
El Dorado Unified School District No. 490

Opinion on Each Major Federal Program

In our opinion, **El Dorado Unified School District No. 490, El Dorado, Kansas** 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, 2019**.

Report on Internal Control Over Compliance

Management of **El Dorado Unified School District No. 490, El Dorado, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered **El Dorado Unified School District No. 490, El Dorado, Kansas'** internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **El Dorado Unified School District No. 490, El Dorado, Kansas'** internal control over compliance.

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

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

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

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
December 3, 2019

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Grant Title	Federal CFDA No.	Program Amount	Unencumbered Cash 7-1-18	Receipts	Expenditures	Unencumbered Cash 6-30-19
<u>(Passes Through Kansas Department of Education)</u>						
Department of Agriculture						
Child Nutrition Cluster-Cluster						
School Breakfast Program	10.553	\$ 167,489				
National School Lunch Program	10.555	525,493				
Summer Food Service Program for Children	10.559	14,515				
		<u>707,497</u>	<u>\$ 0</u>	<u>\$ 707,497</u>	<u>\$ 707,497</u>	<u>\$ 0</u>
Department of Education						
Title I Grants to Local Educational Agencies	84.010	511,462	0	511,462	511,425	37
Rural Education	84.358	32,395	0	32,395	32,395	0
Supporting Effective Instruction State Grants	84.367	81,539	3,121	81,539	84,660	0
Student Support and Academic Enrichment Program	84.424	29,419	0	29,419	29,419	0
		<u>654,815</u>	<u>3,121</u>	<u>654,815</u>	<u>657,899</u>	<u>37</u>
<u>(Passes Through SCKESC)</u>						
Career and Technical Education - Basic Grants to States	84.048	16,806	0	16,806	16,806	0
Total Federal Awards		<u>\$ 1,379,118</u>	<u>\$ 3,121</u>	<u>\$ 1,379,118</u>	<u>\$ 1,382,202</u>	<u>\$ 37</u>

The accompanying notes are an integral part of this schedule.

EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **El Dorado Unified School District No. 490, El Dorado, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 - Indirect Cost Rate:

The District has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

**EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **El Dorado Unified School District No. 490, El Dorado, Kansas**.
2. No significant deficiencies or material weaknesses were reported in the Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of **El Dorado Unified School District No. 490, El Dorado, Kansas**, were disclosed during the audit.
4. No significant deficiencies or material weakness were reported in the Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance.
5. The independent auditors' report on compliance for the major federal award programs for **El Dorado Unified School District No. 490, El Dorado, Kansas**, expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for **El Dorado Unified School District No. 490, El Dorado, Kansas**.
7. The programs tested as major programs were:

Child Nutrition Cluster-Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. **El Dorado Unified School District No. 490, El Dorado, Kansas**, was determined not to be a low-risk auditee.

**EL DORADO UNIFIED SCHOOL DISTRICT NO. 490
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

There are no prior audit findings.