UNIFIED SCHOOL DISTRICT NUMBER 418
MCPHERSON, KANSAS

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2021

SWINDOLL
JANZEN
HAWK &
LOYD, LLC
Certified Public Accountants

Unified School District Number 418
McPherson, Kansas

Fiscal Year Ended June 30, 2021

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McPherson, Kansas

Fiscal Year Ended June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District Number 418
514 North Main
McPherson, KS 67460

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District Number 418, McPherson, 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.

Auditor's 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* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 of the financial statement, the financial statement is prepared by Unified School District Number 418 on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District Number 418 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 Number 418 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 2021 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, schedule of regulatory basis receipts and disbursements—agency funds, 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 2021 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 2021 basic financial statement. The 2021 information has been subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2021 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Unified School District Number 418, McPherson, Kansas, a Municipality, as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated October 2, 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 https://admin.ks.gov/offices/oar/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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement of Unified School District Number 418, McPherson, Kansas. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and is also not a required part of the basic financial statement.

The schedule of expenditures of federal awards 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement taken 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 September 20, 2021, on our consideration of the Unified School District Number 418's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Unified School District Number 418's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District Number 418's internal control over financial reporting and compliance.

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll, Janzen, Hawk & Loyd, LLC
Hutchinson, Kansas

September 20, 2021

Unified School District Number 418
McPherson, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUNDS:						
General Fund	$ -	$ 16,429,667	$ 16,429,667	$ -	$ 877,445	$ 877,445
Supplemental General Fund	705,556	5,371,049	5,459,603	617,002	-	617,002
SPECIAL PURPOSE FUNDS:						
At Risk (4 Year Old) Fund	-	68,437	68,437	-	-	-
At Risk (K-12) Fund	-	1,528,260	1,528,260	-	-	-
Bilingual Education Fund	-	64,992	64,992	-	-	-
Capital Outlay Fund	1,303,445	2,821,583	2,545,238	1,579,790	-	1,579,790
Food Service Fund	65,807	1,637,639	1,530,968	172,478	-	172,478
Professional Development Fund	-	45,753	45,753	-	-	-
Special Education Fund	604,643	5,508,303	5,382,017	730,929	-	730,929
Career and Postsecondary Education Fund	-	549,202	549,202	-	-	-
KPERS Special Retirement Contribution Fund	-	2,942,680	2,942,680	-	-	-
Special Assessments Fund	2,005	1,758	-	3,763	-	3,763
Special Education Cooperative Fund	506,255	10,630,538	9,805,602	1,331,191	-	1,331,191
Recreation Commission Fund	-	1,642,147	1,642,147	-	-	-
Federal Funds Fund	(77,582)	1,188,578	1,206,947	(95,951)	-	(95,951)
Carl Perkins Fund	8,306	2,535	7,707	3,134	-	3,134
Contingency Reserve Fund	509,995	100,000	-	609,995	-	609,995
Early Childhood Passthrough Fund	-	28,833	28,833	-	-	-
Gifts and Grants Fund	200,814	130,526	119,908	211,432	-	211,432
Head Start Program Fund	-	1,365,542	1,365,542	-	36,586	36,586
Textbook/Student Materials Revolving Fund	293,585	346,426	116,626	523,385	-	523,385
Title I Fund	-	339,966	339,966	-	-	-
Title II-A Teacher Quality Fund	-	59,566	59,566	-	-	-
Title VI-B Discretionary Fund	-	38,785	38,785	-	-	-
Title VI-B Passthrough Fund	-	1,038,938	1,038,938	-	-	-
Gate Receipts	32,631	363,888	347,044	49,475	-	49,475
BOND AND INTEREST FUND:						
Bond and Interest Fund	4,700,961	2,216,980	967,085	5,950,856	-	5,950,856
Total Reporting Entity (Excluding Agency Funds)	$ 8,856,421	$ 56,462,571	$ 53,631,513	$ 11,687,479	$ 914,031	$ 12,601,510

COMPOSITION OF CASH:	
Board Checking Account	$ (1,056,468)
Board Savings Account	860,705
Board Petty Cash Checking	1,500
Board Checking Account	10
Enrollment Checking Account	994
Activity Funds Account - High School Checking	133,445
Activity Funds Account - Middle School Checking	16,014
Activity Funds Account - High School Certificates of Deposit	29,524
Lincoln Petty Cash Checking Account	500
Roosevelt Petty Cash Checking Account	500
Washington Petty Cash Checking Account	500
Head Start Petty Cash Account	500
Eisenhower Petty Cash Account	500
Middle School Petty Cash on Hand	1,000
High School Petty Cash on Hand	1,025
Investments - Municipal Investment Pool	12,740,769
Total Cash	12,731,018
Agency Funds per Schedule 3	(129,508)
Total Reporting Entity (Excluding Agency Funds)	$ 12,601,510

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

Unified School District Number 418
McPherson, Kansas

NOTES TO THE FINANCIAL STATEMENT

For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

Unified School District Number 418 (the "District") is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District Number 418 (the District), a municipality.

(b) 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 Funds—used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

(c) Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) 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:

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

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

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for the Capital Projects Fund, Trust Funds or the following Special Purpose Funds: Federal Funds, Carl Perkins, Contingency Reserve, Early Childhood Passthrough, Head Start Program, Textbook/Student Materials Revolving, Title I, Title II-A Teacher Quality, Title VI-B Discretionary, Title VI-B Passthrough, Gifts and Grants, and Gate Receipts.

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Kansas municipalities are subject to the cash-basis law as stated in Kansas Statute 10-1113. The Federal Funds fund has a negative unencumbered cash balance at June 30, 2021, which is allowable under Kansas Statute 12-1663. These funds will be reimbursed in the following fiscal year from federal grant programs.

3. DEPOSITS AND INVESTMENTS

As of June 30, 2021, the District had the following investments and maturities.

Investment Type	Fair Value	Maturity in Years Less than 1	Rating U.S
Kansas Municipal Investment Pool	$ 12,740,769	$ 12,740,769	S&P AAAF/SLT

3. DEPOSITS AND INVESTMENTS (CONT.)

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 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. At June 30, 2021, the District held 100% of their investments in the Kansas Municipal Investment Pool.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2021.

At June 30, 2021, the carrying amount of the District's deposits, including certificates of deposit, was ($9,751) and the bank balance was $1,835,620. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by federal depository insurance and $1,335,620 was collaterized 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 failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2021, the District had invested $12,740,769 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $302,860 subsequent to June 30, 2021, 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, 2021.

5. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level 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.

5. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(b) Death and Disability Other Post Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2021.

(c) Compensated Absences

Sick leave is granted to employees in the following manner:

Certified Employees- 15 days at the beginning of each year. Sick leave may accumulate to 75 days or no more than the number of days recorded in excess of 60 days prior to July 3, 1988.

Classified Employees - one day for each month employed. Sick leave may accumulate to 60 days or the number of days accumulated as of September 30, 1988, whichever is greater.

Upon termination of employment, all employees are paid for unused sick leave at an average rate of $3 per hour for classified employees, and one-half of substitute pay for certified employees.

(d) Termination Benefits

The District provides an early retirement program for certain eligible employees. Certified employees are eligible if they (a) are a full time employee of the District; (b) have ten or more years of employment with the District; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of teaching for the District. Classified employees are eligible if they (a) have ten or more years of employment with the District; (b) are working 17.5 or more hours per week; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of employment with the District.

The early retirement benefit shall be an annual payment determined by utilization of the percentage opposite the year of benefit utilization on the following table. The percentage for the year of benefit shall be multiplied by the certified employee's last annual contract salary, or the classified employee's annualized salary (hourly rate x daily hours x number of days) in the last 12 months prior to retirement. The payment shall be paid annually into a 403(b) employer funded plan in January or July as selected by the employee. It shall be terminated either at the end of the payment of five years of incentive benefits or at the end of the contract year in which the employee reaches age 65. The employee shall receive no more than five years of benefits according to the following schedule. Staff hired after May 1, 2010 are not eligible.

Retirement Year	1st Year	2nd Year	3rd Year	4th Year	5th Year
2015-2016	15%	13%	11%	9%	7%
2016-2017 (and beyond)	14%	12%	10%	8%	6%

Payments to retired employees under this plan were $102,138 for the year ended June 30, 2021.

6. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2021, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Defeased	Balance End of Year	Interest Paid
General Obligation Bonds:										
Series 2013	2.00% to 4.00%	05-30-13	$ 13,790,000	03-01-26	$ 3,990,000	$ -	$ 605,000	$ -	$ 3,385,000	$ 133,200
Series 2019	2.60%	11-7-19	7,095,000	09-01-33	7,095,000	-	45,000	-	7,050,000	183,885
Total General Obligation Bonds					11,085,000	-	650,000	-	10,435,000	317,085
Capital Leases:										
Buses	2.70%	12-16-16	503,797	12-16-20	103,493	-	103,493	-	-	2,887
Computer Equipment	2.45%	08-01-17	530,000	08-01-20	134,607	-	134,607	-	-	3,307
Computer Equipment	3.23%	07-01-18	390,500	02-01-22	198,855	-	97,839	-	101,016	6,441
HVAC	3.25%	04-25-17	1,620,000	09-01-37	1,520,000	-	65,000	-	1,455,000	48,344
Computer Equipment	2.74%	07-01-19	278,630	02-01-23	209,450	-	67,938	-	141,512	5,781
Mower	3.60%	08-15-19	22,750	02-01-23	17,038	-	5,480	-	11,558	613
Vehicle	2.98%	09-30-19	90,657	02-01-21	45,110	-	45,110	-	-	1,365
Buses	3.23%	02-14-20	53,920	02-01-23	53,920	-	17,446	-	36,474	1,680
Computer Equipment	1.64%	04-01-20	354,485	04-01-24	354,485	-	86,471	-	268,014	5,814
Total Capital Leases					2,636,958	-	623,384	-	2,013,574	76,232
Total Contractual Indebtedness					$ 13,721,958	$ -	$ 1,273,384	$ -	$ 12,448,574	$ 393,317

6. LONG-TERM DEBT (CONT.)

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

Debt Issue	Year 2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2040	Total
Principal:									
General Obligation Bonds:									
Series 2013	$ 625,000	$ 650,000	$ 680,000	$ 705,000	$ 725,000	$ -	$ -	$ -	$ 3,385,000
Series 2019	5,000	45,000	45,000	45,000	50,000	4,155,000	2,705,000	-	7,050,000
Total General Obligation Bonds	630,000	695,000	725,000	750,000	775,000	4,155,000	2,705,000	-	10,435,000
Capital Leases:									
Computer Equipment	101,016	-	-	-	-	-	-	-	101,016
HVAC	65,000	70,000	70,000	70,000	75,000	405,000	485,000	215,000	1,455,000
Computer Equipment	69,800	71,712	-	-	-	-	-	-	141,512
Mower	5,677	5,881	-	-	-	-	-	-	11,558
Vehicle	-	-	-	-	-	-	-	-	-
Buses	17,947	18,527	-	-	-	-	-	-	36,474
Computer Equipment	87,889	89,330	90,795	-	-	-	-	-	268,014
Total Capital Leases	347,329	255,450	160,795	70,000	75,000	405,000	485,000	215,000	2,013,574
Total Principal	977,329	950,450	885,795	820,000	850,000	4,560,000	3,190,000	215,000	12,448,574
Interest:									
General Obligation Bonds:									
Series 2013	108,600	83,100	56,500	32,325	10,875	-	-	-	291,400
Series 2019	163,861	143,961	143,039	142,117	141,143	493,487	83,896	-	1,311,504
Total General Obligation Bonds	272,461	227,061	199,539	174,442	152,018	493,487	83,896	-	1,602,904
Capital Leases:									
Computer Equipment	3,263	-	-	-	-	-	-	-	3,263
HVAC	46,231	44,038	41,762	39,488	37,131	147,469	75,481	7,069	438,669
Computer Equipment	3,877	1,965	-	-	-	-	-	-	5,842
Mower	416	212	-	-	-	-	-	-	628
Buses	1,178	598	-	-	-	-	-	-	1,776
Computer Equipment	4,395	2,954	1,489	-	-	-	-	-	8,838
Total Capital Leases	59,360	49,767	43,251	39,488	37,131	147,469	75,481	7,069	459,016
Total Interest	331,821	276,828	242,790	213,930	189,149	640,956	159,377	7,069	2,061,920
Total Principal and Interest	$ 1,309,150	$ 1,227,278	$ 1,128,585	$ 1,033,930	$ 1,039,149	$ 5,200,956	$ 3,349,377	$ 222,069	$ 14,510,494

7. RELATED-PARTY TRANSACTIONS

Unified School District Number 418 is the taxing authority for the McPherson Recreation Commission. During the fiscal year ended June 30, 2021, the District levied a total tax of 6.00 mills for the Recreation Commission Fund, which in turn is appropriated to the McPherson Recreation Commission for its operations. Also, there is an informal agreement between the District and the Recreation Commission for use of District facilities when they are not otherwise being used by the District.

8. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-6478	$ 68,437
General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	1,007,414
General Fund	Bilingual Education Fund	K.S.A. 72-6478	45,337
General Fund	Capital Outlay	K.S.A. 72-6478	500,000
General Fund	Contingency Reserve	K.S.A. 72-6478	100,000
General Fund	Professional Development Fund	K.S.A. 72-6478	31,496
General Fund	Special Education Fund	K.S.A. 72-6478	3,116,194
General Fund	Textbook/Student Materials Revolving Fund	K.S.A. 72-6478	150,000
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-6478	509,250
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	520,846
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-6478	19,655
Supplemental General Fund	Special Education Fund	K.S.A. 72-6478	2,372,384
Special Education Fund	Special Education Co-op Fund	K.S.A. 72-6478	5,382,017
			$ 13,823,030

9. 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 1.00% contribution rate for the Death and Disability Program) was 16.15% and 14.41%, respectively, for the fiscal year ended June 30, 2020. The actuarially determined employer contribution rate and the statutory contribution rate was 15.59% and 14.23% for the fiscal year ended June 30, 2021.

9. DEFINED BENEFIT PENSION PLAN (CONT.)

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 of retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $2,942,680 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 $32,078,351. 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 these financial statements.

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

10. OPERATING LEASES

The District is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property right or lease obligations and, therefore, the expenditures will be recognized when the lease payments are made. The District paid $144,000 in expenses in 2021.

Operating Lease obligations for subsequent years are as follows:

	Stadium
2022	$ 144,570

11. LEASE AGREEMENTS WITH MCPHERSON COLLEGE

Football Stadium Facilities

The District uses McPherson College's athletic field, stadium, sport center and associated facilities for the District's athletic competitions, athletic training and training for its marching band.

McPherson College has performed renovations of such facilities at substantial cost and the District desired to continue to make use of such facilities and share equitably in the cost of such improvements, together with operating the same.

A lease agreement was executed on August 1, 2012, for a term beginning July 1, 2012 through June 30, 2022. The lease provides for annual payments including portions for rent and renovation and a portion for a projected maintenance fee. Per the agreement addenedum on March 11, 2011, the final three years' payments for rent and renovation will not be billed to the District. The agreement also states that the District will still be required to pay the last three maintenance lease payments as listed in the original agreement.

11. LEASE AGREEMENTS WITH MCPHERSON COLLEGE (CONT.)

These payments and the future obligation are included in the schedules above. The final payments on this lease will be made by June 30, 2022.

The maintenance and repair fee is intended to reimburse the lessor for one-half of the costs of annual utilities and ordinary maintenance of the stadium facility premises. During fiscal year ended June 30, 2021, the maintenance fee was $29,057. The maintenance fee shall increase three percent per year unless, because of an unforeseeable circumstance, this annual increase works a substantial unfairness or hardship to either party, in which case the parties shall negotiate to determine the new maintenance and repair fee.

In addition to the maintenance and repair fee, the District shall pay 50% of the cost of repairing or replacing the electronic systems used at the stadium, including without limitation, the sound system, scoreboard, play clocks, as well as the systems used to operate them.

12. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the individual governmental funds or the overall financial position of the District.

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 has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2020 to 2021, and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations, the District is exposed to various claims, legal actions and complaints. It is of the opinion of the District's management and legal counsel that any current matters are not anticipated to have a material impact on the District.

13. COVID-19

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. Future potential impacts may include a decrease in certain revenues, reduced customer traffic and the temporary closure of operating hours of our offices.

14. 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 $1,009,200 during 2020. 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 a https://covid.ks.gov/.

14. CRF AND CARES ACT FUNDING (CONT.)

The CARES Act also included Elementary and Secondary School Emergency Relief (ESSER) Funds for K-12 schools. The ESSER grants will provide school districts with emergency relief funds to address the impact COVID-19 has had on elementary and secondary schools. It is being allocated to the Districts in three phases, ESSER I, II, and III. The ESSER I under the Cares Act began in March 2020, the ESSER II under the CRRSA Act began in December 2020, and the ESSER III under the ARP Act began in March 2021. The District was allocated $213,254 for ESSER I, $1,070,195 for ESSER II, and $2,403,506 for ESSER III. As of June 30, 2021 the District spent $207,423 of ESSER I, $69,504 of ESSER II, and $0 of ESSER III.

15. SUBSEQUENT EVENTS

In July of 2021, the District signed a lease purchase agreement in the amount of $149,000. The lease is for technology equipment. The terms are repayment through April 2025 with an interest rate of 1.40%.

In September of 2021, the District approved a lease purchase agreement in the amount of $1,081,067. The issue is for the purchase of seven buses. The terms are repayment through April 2031 with an interest rate of 1.89%.

Management has evaluated the effects on the financial statements of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NUMBER 418
MCPHERSON, KANSAS

REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION

FISCAL YEAR ENDED JUNE 30, 2021

Unified School District Number 418
McPherson, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended June 30, 2021

	Certified Budget	Adjustments to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUNDS:						
General Fund	$ 17,411,252	$ (981,585)	$ -	$ 16,429,667	$ 16,429,667	$ -
Supplemental General Fund	5,753,433	(293,830)	-	5,459,603	5,459,603	-
SPECIAL PURPOSE FUNDS:						
At Risk (4 Yr Old) Fund	77,673	-	-	77,673	68,437	(9,236)
At Risk (K-12) Fund	1,832,626	-	-	1,832,626	1,528,260	(304,366)
Bilingual Education Fund	72,925	-	-	72,925	64,992	(7,933)
Virtual Education Fund	90,000	-	-	90,000	-	(90,000)
Capital Outlay Fund	3,414,157	-	-	3,414,157	2,545,238	(868,919)
Food Service Fund	1,725,889	-	-	1,725,889	1,530,968	(194,921)
Professional Development Fund	175,000	-	-	175,000	45,753	(129,247)
Special Education Fund	6,488,904	-	-	6,488,904	5,382,017	(1,106,887)
Career and Postsecondary Education Fund	750,000	-	-	750,000	549,202	(200,798)
KPERS Special Retirement Contribution Fund	3,582,424	-	-	3,582,424	2,942,680	(639,744)
Special Assessments Fund	2,441	-	-	2,441	-	(2,441)
Special Education Cooperative Fund	11,552,620	-	-	11,552,620	9,805,602	(1,747,018)
Recreation Commission Fund	1,800,000	-	-	1,800,000	1,642,147	(157,853)
BOND AND INTEREST FUND:						
Bond and Interest Fund	967,085	-	-	967,085	967,085	-
Total	$ 55,696,429	$ (1,275,415)	$ -	$ 54,421,014	$ 48,961,651	$ (5,459,363)

Unified School District Number 418
McPherson, Kansas

GENERAL FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Mineral production tax	$ 8,646	$ 6,212	$ -	$ 6,212
State aid	12,918,620	13,413,822	13,781,252	(367,430)
Special education aid	2,896,428	3,009,633	3,630,000	(620,367)
State reimbursements	7,055	-	-	-
Total Receipts	15,830,749	16,429,667	$ 17,411,252	$ (981,585)
Expenditures:				
Instruction -				
Certified salaries	6,059,340	6,053,078	$ 6,449,861	$ (396,783)
Non-certified salaries	697,900	551,865	577,670	(25,805)
Insurance	736,104	679,778	758,187	(78,409)
Social Security	492,732	484,964	511,413	(26,449)
Other employee benefits	63,748	60,504	67,326	(6,822)
Purchased professional services	168,295	144,910	170,000	(25,090)
Other purchased services	92,140	197,958	94,800	103,158
Supplies	109,754	129,724	108,892	20,832
Textbooks	24,895	97,091	24,895	72,196
Other	(190)	2,504	672	1,832
Student Support Services -				
Certified salaries	350,568	363,453	364,591	(1,138)
Non-certified salaries	50,242	50,784	52,253	(1,469)
Insurance	49,607	45,104	51,095	(5,991)
Social Security	28,997	30,261	30,157	104
Other employee benefits	13,712	13,929	14,260	(331)
Purchased professional services	169,672	208,507	170,000	38,507
Supplies	42,593	20,484	42,593	(22,109)
Instruction Support Staff -				
Certified salaries	301,214	263,963	313,262	(49,299)
Non-certified salaries	267,777	207,562	278,488	(70,926)
Insurance	51,299	59,692	52,838	6,854
Social Security	45,934	37,264	44,203	(6,939)
Other employee benefits	129,752	179,411	7,094	172,317
Purchased professional services	-	-	126,362	(126,362)
Other purchased services	5,604	4,343	5,603	(1,260)
Supplies	31,844	55,655	7,573	48,082

Unified School District Number 418
McPherson, Kansas

GENERAL FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Instruction Support Staff (cont.) -				
Books and periodicals	$ -	$ -	$ 23,945	$ (23,945)
Technology supplies	2,500	-	326	(326)
Property and equipment	43,300	12,264	43,300	(31,036)
Other	-	-	2,500	(2,500)
General Administration -				
Certified salaries	144,457	124,372	150,235	(25,863)
Non-certified salaries	134,117	96,979	139,540	(42,561)
Insurance	29,928	16,087	30,826	(14,739)
Social Security	58,022	17,786	22,428	(4,642)
Other employee benefits	4,023	8,350	39,700	(31,350)
Purchased professional services	52,018	104,093	54,057	50,036
Purchased property services	385	308	653	(345)
Other purchased services	47,059	10,466	47,058	(36,592)
Supplies	110,696	38,508	110,696	(72,188)
Property and equipment	-	5,208	-	5,208
Other	12,058	936	12,058	(11,122)
School Administration -				
Supplies	-	12	-	12
Operations and Maintenance -				
Purchased professional services	752	200	752	(552)
Other purchased services	19,020	-	19,020	(19,020)
Other	97	12	100	(88)
Student Transportation Services -				
Supervision -				
Non-certified salaries	157,417	172,226	29,267	142,959
Insurance	46,430	39,319	2,289	37,030
Social Security	17,931	18,159	2,115	16,044
Other employee benefits	11,217	10,043	173	9,870
Other purchased services	529	674	-	674
Property and equipment	-	-	685	(685)
Other	5,831	17,452	38,702	(21,250)

Unified School District Number 418
McPherson, Kansas

GENERAL FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Student Transportation Services (cont):				
Vehicle Operating Services -				
Certified salaries	$ -	$ -	$ 163,714	$ (163,714)
Non-certified salaries	28,140	28,674	-	28,674
Insurance	2,222	2,282	47,823	(45,541)
Social Security	2,034	2,045	18,648	(16,603)
Other employee benefits	166	152	11,666	(11,514)
Rent of vehicles	38,350	40,496	77,889	(37,393)
Other purchased services	87,078	78,870	49,506	29,364
Motor fuel	40,669	30,361	-	30,361
Property and equipment	685	1,155	-	1,155
Vehicle & Maintenance Services -				
Supplies	47,625	31,633	53,984	(22,351)
Other Support Services -				
Non-certified salaries	43,276	28,008	45,007	(16,999)
Insurance	8,204	1,940	8,450	(6,510)
Social Security	4,095	2,240	4,418	(2,178)
Other employee benefits	152	17,441	-	17,441
Outgoing Transfers -				
Capital Outlay Fund	-	500,000	-	500,000
Professional Development Fund	60,444	31,496	148,883	(117,387)
Special Education Fund	2,896,428	3,116,194	3,630,000	(513,806)
Career and Postsecondary Education Fund	368,207	509,250	400,000	109,250
Textbook/Student Materials Revolving Fund	170,762	150,000	176,706	(26,706)
At Risk (4 Year Old) Fund	70,185	68,437	77,673	(9,236)
At Risk (K-12) Fund	1,030,444	1,007,414	1,260,735	(253,321)
Bilingual Education Fund	50,263	45,337	51,637	(6,300)
Virtual Education Fund	-	-	90,000	(90,000)
Contingency Reserve Fund	-	100,000	-	100,000
Adjustment to comply with legal max	-	-	(981,585)	981,585
Total Expenditures	15,830,749	16,429,667	$ 16,429,667	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

GENERAL FUND

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)

	2020 Actual	2021 Actual	2021 Budget	2021 Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 3,733,575	$ 3,577,389	$ 3,727,419	$ (150,030)
Delinquent tax	21,084	41,115	56,322	(15,207)
Motor vehicle tax	326,555	300,546	272,097	28,449
Recreational vehicle tax	5,571	5,704	4,658	1,046
Commercial vehicle tax	22,889	18,609	18,078	531
Supplemental state aid	1,296,662	1,427,686	1,504,523	(76,837)
Total Receipts	5,406,336	5,371,049	$ 5,583,097	$ (212,048)
Expenditures:				
Instruction -				
Other employee benefits	1,779	-	$ 1,779	$ (1,779)
Purchased property services	4,046	-	4,046	(4,046)
Miscellaneous supplies	7,420	-	7,420	(7,420)
General Administration -				
Purchased professional services	31,191	17,644	31,191	(13,547)
Supplies	-	-	5,423	(5,423)
Dues and fees	-	-	3,421	(3,421)
School Administration -				
Certified salaries	720,492	728,974	749,312	(20,338)
Non-certified salaries	306,478	317,683	318,737	(1,054)
Insurance	122,040	128,666	125,701	2,965
Social Security	74,532	77,759	77,513	246
Other employee benefits	6,079	10,290	6,322	3,968
Purchased professional services	8,250	2,422	8,250	(5,828)
Other purchased services	12,475	7,326	12,474	(5,148)
Supplies	4,855	9,687	4,855	4,832
Operations and Maintenance -				
Non-certified salaries	136,326	76,515	141,779	(65,264)
Insurance	7,517	7,131	7,743	(612)
Social Security	10,336	5,760	10,572	(4,812)
Other employee benefits	5,429	2,746	5,824	(3,078)
Purchased professional services	20,214	21,426	21,833	(407)

Unified School District Number 418
McPherson, Kansas

GENERAL FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Operations and Maintenance (cont):				
Purchased property services	$ 1,619	$ 349	$ -	$ 349
Water/sewer	51,084	51,264	51,084	180
Cleaning	55,079	58,958	57,766	1,192
Repairs and maintenance	30,268	22,917	21,821	1,096
Other purchased services	120,721	188,371	196,549	(8,178)
Supplies	258,631	257,712	264,392	(6,680)
Heating	55,332	97,720	55,332	42,388
Electricity	214,146	243,367	214,146	29,221
Motor fuel	9,498	6,581	9,498	(2,917)
Other	272	-	271	(271)
Other Supplemental Services -				
Non-certified salaries	72,362	76,757	75,256	1,501
Insurance	8,386	11,338	8,638	2,700
Social Security	5,335	5,199	5,549	(350)
Other employee benefits	88,541	112,156	188,541	(76,385)
Other purchased services	14,516	-	14,516	(14,516)
Outgoing Transfers -				
Bilingual Education Fund	11,394	19,655	21,288	(1,633)
Special Education Fund	2,180,904	2,372,384	2,202,700	169,684
Career and Postsecondary Education Fund	160,000	-	250,000	(250,000)
At Risk (K-12) Fund	531,717	520,846	571,891	(51,045)
Adjustment to comply with legal max	-	-	(293,830)	293,830
Total Expenditures	5,349,264	5,459,603	$ 5,459,603	$ -
Receipts Over (Under) Expenditures	57,072	(88,554)		
Unencumbered Cash, Beginning	648,484	705,556		
Unencumbered Cash, Ending	$ 705,556	$ 617,002		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 70,185	$ 68,437	$ 77,673	$ (9,236)
Expenditures:				
Instruction -				
Certified salaries	36,503	53,148	$ 52,000	$ 1,148
Insurance	9,384	6,514	10,535	(4,021)
Social Security	4,439	3,968	4,950	(982)
Other employee benefits	358	283	575	(292)
Supplies	11,520	4,524	1,263	3,261
Other	311	-	350	(350)
Central services -				
Non-certified salaries	7,670	-	8,000	(8,000)
Total Expenditures	70,185	68,437	$ 77,673	$ (9,236)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 1,030,444	$ 1,007,414	$ 1,260,735	$ (253,321)
Transfer from Supplemental General Fund	531,717	520,846	571,891	(51,045.00)
Total Receipts	1,562,161	1,528,260	$ 1,832,626	$ (304,366)
Expenditures:				
Instruction -				
Certified salaries	1,036,832	1,046,678	$ 1,090,259	$ (43,581)
Non-certified salaries	90,252	51,061	93,862	(42,801)
Insurance	138,078	131,013	142,220	(11,207)
Social Security	84,245	80,109	85,317	(5,208)
Other employee benefits	6,624	5,809	9,186	(3,377)
Other purchased services	525	-	925	(925)
Purchased professional services	6,500	11,000	10,000	1,000
Purchased property services	-	-	25,000	(25,000)
Supplies	23,716	20,232	63,614	(43,382)
Other	-	-	100,000	(100,000)
Student Support Services -				
Certified salaries	67,282	69,934	69,973	(39)
Insurance	6,839	5,701	7,044	(1,343)
Social Security	4,844	5,110	5,039	71
Other employee benefits	395	370	2,830	(2,460)
Purchased professional services	2,326	2,405	-	2,405
Supplies	-	-	10,000	(10,000)
Other	-	-	10,000	(10,000)
School Administration -				
Certified salaries	79,841	85,004	83,035	1,969
Insurance	6,903	6,537	7,110	(573)
Social Security	5,885	6,246	6,120	126
Other employee benefits	474	451	492	(41)
Other purchased services	600	600	600	-
Other	-	-	10,000	(10,000)
Total Expenditures	1,562,161	1,528,260	$ 1,832,626	$ (304,366)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

BILINGUAL 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 50,263	$ 45,337	$ 51,637	$ (6,300)
Transfer from Supplemental General Fund	11,394	19,655	21,288	(1,633)
Total Receipts	61,657	64,992	$ 72,925	$ (7,933)
Expenditures:				
Instruction -				
Certified salaries	49,860	51,466	$ 51,500	$ (34)
Insurance	6,978	7,165	7,130	35
Social Security	3,722	3,836	4,000	(164)
Other employee benefits	756	781	795	(14)
Purchased professional services	-	558	-	558
Supplies	341	1,186	9,500	(8,314)
Total Expenditures	61,657	64,992	$ 72,925	$ (7,933)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

VIRTUAL 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ -	$ -	$ 90,000	$ (90,000)
Expenditures:				
Instruction -				
Other purchased services	-	-	$ 90,000	$ (90,000)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 1,960,021	$ 1,991,758	$ 1,849,737	$ 142,021
Delinquent tax	9,897	15,392	29,622	(14,230)
Motor vehicle tax	136,913	124,228	137,026	(12,798)
Recreational vehicle tax	2,285	2,337	2,346	(9)
Commercial vehicle tax	10,892	65,375	9,104	56,271
Interest on idle funds	100,709	1,506	-	1,506
Miscellaneous revenue	404,145	38,109	-	38,109
State aid	178,620	82,878	82,878	-
Transfer from General Fund	-	500,000	-	500,000
Total Receipts	2,803,482	2,821,583	$ 2,110,713	$ 710,870
Expenditures:				
Instruction -				
Property, equipment and furniture	584,010	553,599	$ 585,000	$ (31,402)
General Administration -				
Other purchased services	1,500	1,550	-	1,550
Supplies	-	10,406	-	10,406
Property, equipment and furniture	5,093	(32,146)	10,000	(42,146)
Operations and Maintenance -				
Non-certified salaries	1,022,326	1,094,535	1,060,929	33,606
Insurance	192,397	202,875	200,005	2,870
Social Security	73,618	79,503	78,829	674
Other employee benefits	41,139	38,567	43,631	(5,064)
Other purchased services	2,875	2,440	7,500	(5,060)
Other	840	-	-	-
Property and equipment	77,058	61,619	85,000	(23,381)
Student Transportation Services -				
Property and equipment	106,380	125,505	106,380	19,125
Other Support Services -				
Non-certified salaries	1,416	-	-	-
Social Security	108	-	-	-
Other employee benefits	8	-	-	-
Facility Acquisition and Construction Services -				
Architectural and engineering services	64,756	242,798	30,000	212,798
Site improvement	28,447	29,000	840,000	(811,000)
Repair and remodeling buildings	138,028	134,987	366,883	(231,896)
Total Expenditures	2,339,999	2,545,238	$ 3,414,157	$ (868,919)
Receipts Over (Under) Expenditures	463,483	276,345		
Unencumbered Cash, Beginning	839,962	1,303,445		
Unencumbered Cash, Ending	$ 1,303,445	$ 1,579,790		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 11,653	$ 14,494	$ 13,600	$ 894
Federal aid	809,633	1,588,938	981,321	607,617
Student sales - lunch	408,602	24,494	500,000	(475,506)
Student sales - breakfast	74	-	64,200	(64,200)
Adult sales - lunch	24,148	32	100,961	(100,929)
Adult sales - breakfast	489	-	-	-
Ala carte meals	3,616	-	-	-
Miscellaneous revenue	20,600	9,681	-	9,681
EEC reimbursements	100	-	-	-
Total Receipts	1,278,915	1,637,639	$ 1,660,082	$ (22,443)
Expenditures:				
Instruction -				
Other	643	50	$ -	$ 50
Operations and Maintenance -				
Other	100	-	-	-
Food Service Operations -				
Non-certified salaries	472,518	539,317	491,419	47,898
Insurance	117,403	87,879	120,925	(33,046)
Social Security	33,368	39,537	34,703	4,834
Other employee benefits	15,413	16,208	16,017	191
Purchased professional services	2,486	4,174	-	4,174
Repairs and maintenance	24,417	22,403	-	22,403
Other purchased services	1,451	676	50,000	(49,324)
Food and milk	605,200	713,361	-	713,361
Supplies	39,025	81,580	800,000	(718,420)
Property and equipment	36,694	21,907	100,000	(78,093)
Other	4,721	3,876	112,825	(108,949)
Total Expenditures	1,353,439	1,530,968	$ 1,725,889	$ (194,921)
Receipts Over (Under) Expenditures	(74,524)	106,671		
Unencumbered Cash, Beginning	140,331	65,807		
Unencumbered Cash, Ending	$ 65,807	$ 172,478		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 16,588	$ 14,257	$ 26,117	$ (11,860)
Transfer from General Fund	60,444	31,496	148,883	(117,387)
Total Receipts	77,032	45,753	$ 175,000	$ (129,247)
Expenditures:				
Instruction -				
Non-certified salaries	-	-	$ 13,300	$ (13,300)
Social Security	-	-	300	(300)
Other employee benefits	-	-	50	(50)
Student Support Services -				
Non-certified salaries	32	-	-	-
Instructional Support Staff -				
Certified salaries	6,430	380	-	380
Non-certified salaries	6,440	6,372	-	6,372
Social Security	16	-	-	-
Other employee benefits	1	-	-	-
Purchased property services	1,401	803	1,500	(697)
Purchased professional services	33,039	26,827	124,850	(98,023)
Other purchased services	22,273	5,243	30,000	(24,757)
Supplies	7,263	5,912	5,000	912
School Administration -				
Other	87	51	-	51
Books	50	165	-	165
Total Expenditures	77,032	45,753	$ 175,000	$ (129,247)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 31,183	$ 19,725	$ -	$ 19,725
Federal aid	-	-	51,561	(51,561)
Transfer from General Fund	2,896,428	3,116,194	3,630,000	(513,806)
Transfer from Supplemental General Fund	2,180,904	2,372,384	2,202,700	169,684
Total Receipts	5,108,515	5,508,303	$ 5,884,261	$ (375,958)
Expenditures:				
Transfer to Special Education Cooperative Fund	5,077,332	5,382,017	$ 6,488,904	$ (1,106,887)
Receipts Over (Under) Expenditures	31,183	126,286		
Unencumbered Cash, Beginning	573,460	604,643		
Unencumbered Cash, Ending	$ 604,643	$ 730,929		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

CAREER AND POSTSECONDARY 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Miscellaneous income	$ 51,625	$ 39,952	$ 100,000	$ (60,048)
Transfer from General Fund	368,207	509,250	400,000	109,250
Transfer from Supplemental General Fund	160,000	-	250,000	(250,000)
Total Receipts	579,832	549,202	$ 750,000	$ (200,798)
Expenditures:				
Instruction -				
Certified salaries	461,821	423,546	$ 480,000	$ (56,454)
Insurance	48,317	43,890	50,250	(6,360)
Social Security	34,835	31,720	36,750	(5,030)
Other employee benefits	2,729	2,247	3,000	(753)
Purchased professional services	-	4,907	-	4,907
Purchased property services	917	1,158	5,000	(3,842)
Supplies	12,973	17,064	20,000	(2,936)
Textbooks	2,512	17,317	90,000	(72,683)
Property and equipment	15,728	7,353	25,000	(17,647)
Other	-	-	40,000	(40,000)
Total Expenditures	579,832	549,202	$ 750,000	$ (200,798)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 3,133,407	$ 2,942,680	$ 3,582,424	$ (639,744)
Expenditures:				
Employee Benefits -				
Instruction	1,999,115	1,877,430	$ 2,275,000	$ (397,570)
Student Support Services	141,003	132,421	165,000	(32,579)
Instruction Support Staff	115,936	108,879	135,000	(26,121)
General Administration	203,671	191,274	235,000	(43,726)
School Administration	238,139	223,644	275,000	(51,356)
Other Supplemental Services	34,467	32,369	40,000	(7,631)
Operations and Maintenance	300,807	282,497	343,814	(61,317)
Student Transportation Services	3,133	2,943	3,555	(612)
Food Service Operations	97,136	91,223	110,055	(18,832)
Total Expenditures	3,133,407	2,942,680	$ 3,582,424	$ (639,744)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

SPECIAL ASSESSMENTS 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 1,170	$ -	$ -	$ -
Delinquent tax	98	77	-	77
Motor vehicle tax	691	1,635	1,501	134
Recreational vehicle tax	8	32	26	6
Commercial vehicle tax	153	14	100	(86)
Total Receipts	2,120	1,758	$ 1,627	$ 131
Expenditures:				
Appropriation to McPherson Recreation Commission	16,617	-	$ 2,441	$ (2,441)
Receipts Over (Under) Expenditures	(14,497)	1,758		
Unencumbered Cash, Beginning	16,502	2,005		
Unencumbered Cash, Ending	$ 2,005	$ 3,763		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION COOPERATIVE 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Payments from other school districts	$ 2,146,199	$ 2,339,157	$ 4,759,813	$ (2,420,656)
State aid	2,409,534	2,465,027	-	2,465,027
State aid - MMIS	161,860	444,337	1,581,535	(1,137,198)
Transfer from Special Education Fund	5,077,332	5,382,017	5,325,017	57,000
Total Receipts	9,794,925	10,630,538	$ 11,666,365	$ (1,035,827)
Expenditures:				
Instruction -				
Certified salaries	1,876,239	2,132,169	$ 2,748,800	$ (616,631)
Non-certified salaries	2,525,794	2,342,899	2,626,826	(283,927)
Insurance	1,100,589	983,222	1,232,480	(249,258)
Social Security	312,417	329,097	376,249	(47,152)
Other employee benefits	52,265	36,399	58,665	(22,266)
Purchased professional services	32,390	42,733	32,389	10,344
Rent	15,449	15,452	15,449	3
Other purchased services	22,622	26,537	22,621	3,916
Supplies	45,007	19,951	47,014	(27,063)
Technology supplies	2,007	240	-	240
Equipment	16,302	29,162	16,302	12,860
Other	-	-	100,000	(100,000)
Student Support Services -				
Certified salaries	1,815,928	1,808,924	2,004,378	(195,454)
Non-certified salaries	257,488	305,363	267,554	37,809
Insurance	240,934	251,407	255,349	(3,942)
Social Security	157,607	161,983	167,501	(5,518)
Other employee benefits	17,517	17,304	30,907	(13,603)
Purchased professional services	418,754	359,094	418,754	(59,660)
Other purchased services	30,155	76,858	-	76,858
Supplies	26,571	27,440	56,726	(29,286)
Other	-	-	100,000	(100,000)
Equipment	9,902	11,648	9,902	1,746

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION COOPERATIVE 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Instructional Support Staff -				
Certified salaries	$ 20,387	$ 21,320	$ 21,202	$ 118
Non-certified salaries	52,800	76,286	54,912	21,374
Insurance	7,561	8,919	7,788	1,131
Other employee benefits	9,678	11,251	6,211	5,040
Other purchased services	-	-	3,706	(3,706)
Supplies	3,600	7,561	3,600	3,961
Equipment	39,438	20,193	-	20,193
Other	-	-	100,000	(100,000)
Special Area Administrative Service -				
Certified salaries	169,649	182,803	176,435	6,368
Non-certified salaries	114,808	109,952	119,400	(9,448)
Insurance	32,306	31,882	33,228	(1,346)
Social Security	20,641	20,767	21,467	(700)
Other employee benefits	13,608	13,962	1,745	12,217
Purchased professional services	-	-	38,785	(38,785)
Purchased property services	563	427	563	(136)
Other purchased services	15,576	6,901	15,576	(8,675)
Supplies	12,872	12,133	12,871	(738)
Other	260	312	260	52
School Administration -				
Certified salaries	17,527	17,814	18,228	(414)
Insurance	1,028	1,037	1,059	(22)
Social Security	1,272	1,291	1,323	(32)
Other employee benefits	103	94	110	(16)
Other	-	-	1,004	(1,004)
Business Support Services -				
Non-certified salaries	62,240	62,425	64,730	(2,305)
Insurance	6,955	8,320	7,164	1,156
Social Security	4,561	4,584	4,743	(159)
Other employee benefits	366	330	400	(70)
Operations and Maintenance -				
Non-certified salaries	-	858	-	858
Insurance	-	58	3,465	(3,407)
Other purchased services	3,465	7,733	-	7,733
Supplies	22,338	18,173	26,991	(8,818)
General supplies	4,654	4,700	-	4,700
Heating	3,936	6,157	3,936	2,221
Property and equipment	9,817	3,717	9,817	(6,100)

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION COOPERATIVE 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Student Transportation Services -				
Non-certified salaries	$ 127,397	$ 99,555	$ 132,493	$ (32,938)
Insurance	23,726	33,739	24,485	9,254
Social Security	9,614	7,406	9,998	(2,592)
Other employee benefits	5,113	3,283	5,353	(2,070)
Contracting of bus services	11,705	9,667	11,706	(2,039)
Supplies	5,059	2,470	5,059	(2,589)
Other Support Services -				
Non-certified salaries	3,087	1,826	3,209	(1,383)
Social Security	236	140	275	(135)
Other employee benefits	19	11	50	(39)
Purchased property services	-	-	34	(34)
Supplies	-	-	11,373	(11,373)
Food Service Operations -				
Food	11,373	6,623	-	6,623
Building Improvements -				
Purchased property services	29	1,040	-	1,040
Total Expenditures	9,825,304	9,805,602	$ 11,552,620	$ (1,747,018)
Receipts Over (Under) Expenditures	(30,379)	824,936		
Unencumbered Cash, Beginning	536,634	506,255		
Unencumbered Cash, Ending	$ 506,255	$ 1,331,191		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

RECREATION COMMISSION 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 1,477,485	$ 1,501,515	$ 1,387,821	$ 113,694
Delinquent tax	7,456	13,750	22,335	(8,585)
Motor vehicle tax	102,915	98,574	103,372	(4,798)
Recreational vehicle tax	1,716	4,058	1,770	2,288
Mineral production tax	1,726	16,910	300,000	(283,090)
Commercial vehicle tax	8,213	7,340	6,868	472
Total Receipts	1,599,511	1,642,147	$ 1,822,166	$ (180,019)
Expenditures:				
Appropriation to McPherson Recreation Commission	1,599,511	1,642,147	$ 1,800,000	$ (157,853)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

FEDERAL FUNDS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Elementary and Secondary School Emergency Relief Federal aid	$ 50,000	$ 179,378
Coronavirus Relief Federal aid	-	1,009,200
Total Receipts	50,000	1,188,578
Expenditures:		
Instruction -		
Certified salaries	-	149,926
Non-certified salaries	1,296	17,225
Social Security	99	9,672
Other employee benefits	18	463
Purchased property services	3,726	77,664
Supplies	-	726
Other	-	66,324
Student Support Services -		
Certified salaries	-	2,870
Non-certified salaries	246	-
Social Security	19	237
Instruction Support Staff -		
Non-certified salaries	779	-
Social Security	60	-
Other employee benefits	5	-
Supplies	713	-
General Administration -		
Certified salaries	-	478
Non-certified salaries	2,194	1,914
Social Security	168	197
Other employee benefits	13	-
Purchased professional services	1,800	-
Supplies	1,797	323
School Administration -		
Non-certified salaries	1,224	-
Social Security	94	-
Other employee benefits	7	-

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

FEDERAL FUNDS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Expenditures (cont.):		
Operations and Maintenance -		
Non-certified salaries	$ 6,529	$ -
Social Security	499	-
Other employee benefits	268	-
Cleaning	30	-
Supplies	6,502	-
Other	-	878,928
Student Transportation Services -		
Non-certified salaries	1,361	-
Social Security	104	-
Other employee benefits	66	-
Supplies	169	-
Other Support Services -		
Non-certified salaries	1,644	-
Social Security	126	-
Other employee benefits	10	-
Food Service Operations -		
Non-certified salaries	65,871	-
Social Security	6,247	-
Other employee benefits	3,147	-
Supplies	20,751	-
Total Expenditures	127,582	1,206,947
Receipts Over (Under) Expenditures	(77,582)	(18,369)
Unencumbered Cash, Beginning	-	(77,582)
Unencumbered Cash, Ending	$ (77,582)	$ (95,951)

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

CARL PERKINS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Miscellaneous	$ 3,293	$ 2,535
Expenditures:		
Instruction -		
Supplies	12,731	7,707
Receipts Over (Under) Expenditures	(9,438)	(5,172)
Unencumbered Cash, Beginning	17,744	8,306
Unencumbered Cash, Ending	$ 8,306	$ 3,134

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Transfer from General Fund	$ -	$ 100,000
Expenditures:		
Outgoing Transfers -	-	-
Receipts Over (Under) Expenditures	-	100,000
Unencumbered Cash, Beginning	509,995	509,995
Unencumbered Cash, Ending	$ 509,995	$ 609,995

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

EARLY CHILDHOOD PASSTHROUGH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Federal aid	$ 28,745	$ 28,833
Expenditures:		
Instruction -		
Certified salaries	28,745	28,833
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

GIFTS AND GRANTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Gifts and grants	$ 158,499	$ 66,466
State aid	25,813	32,030
Federal aid	25,813	32,030
Total Receipts	210,125	130,526
Expenditures:		
Instruction -		
Teaching supplies	40,548	44,833
Miscellaneous supplies	159,826	69,992
School Administration -		
Purchased property services	20,454	4,871
Property and equipment	4,445	212
Total Expenditures	225,273	119,908
Receipts Over (Under) Expenditures	(15,148)	10,618
Unencumbered Cash, Beginning	215,962	200,814
Unencumbered Cash, Ending	$ 200,814	$ 211,432

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

HEAD START PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Federal aid	$ 1,185,718	$ 1,365,542
Expenditures:		
Instruction -		
Certified salaries	356,604	352,041
Non-certified salaries	257,269	168,984
Insurance	743	610
Social Security	46,610	34,020
Other employee benefits	4,033	2,576
Purchased professional services	66,935	125,163
Purchased property services	25,050	-
Supplies	12,457	57,689
Property and equipment	4,078	42,948
Student Support Services -		
Social Security	643	656
Purchased professional services	8,144	21,577
Supplies	3,197	2,070
Instruction Support Staff -		
Certified salaries	44,302	41,791
Insurance	54	54
Social Security	2,750	2,805
Other employee benefits	263	242
Other purchased services	14,369	15,452
Supplies	266	20
General Administration -		
Certified salaries	94,954	132,209
Non-certified salaries	58,135	61,795
Insurance	34,058	34,577
Social Security	13,109	13,555
Other employee benefits	1,072	982
Other purchased services	1,481	2,228
Supplies	2,146	47,417
Property and equipment	-	36

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

HEAD START PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Expenditures (cont.):		
General Administration (cont.) -		
Other	$ 14,741	$ 8,798
School Administration -		
Insurance	(8)	-
Operations and Maintenance -		
Other purchased services	4,200	6,366
Student Transportation Services -		
Other purchased services	1,986	196
Supplies	2,009	2,918
Other Support Services -		
Non-certified salaries	84,716	118,600
Insurance	18,183	32,024
Social Security	6,213	8,702
Other employee benefits	500	629
Other purchased services	(47,480)	(27,112)
Supplies	1,037	-
Food Service Operations -		
Non-certified salaries	500	238
Supplies	41,928	25,958
Repair and Remodeling Buildings -		
Construction services	4,471	26,728
Total Expenditures	1,185,718	1,365,542
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

TEXTBOOK/STUDENT MATERIALS REVOLVING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Rental fees and books	$ 115,981	$ 121,091
Contributions and donations	60,902	75,335
Transfer from General Fund	170,762	150,000
Total Receipts	347,645	346,426
Expenditures:		
Instruction -		
General supplies	24,706	3,527
Textbooks	83,765	59,527
Workbooks	86,633	53,274
Miscellaneous supplies	(577)	297
Other miscellaneous expenditures	596	1
Total Expenditures	195,123	116,626
Receipts Over (Under) Expenditures	152,522	229,800
Unencumbered Cash, Beginning	141,063	293,585
Unencumbered Cash, Ending	$ 293,585	$ 523,385

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Federal aid	$ 276,379	$ 339,966
Expenditures:		
Instruction -		
Certified salaries	113,784	102,536
Non-certified salaries	101,482	161,620
Insurance	30,106	37,472
Social Security	14,435	19,827
Other employee benefits	12,724	9,927
Supplies	-	3,800
Instruction Support Staff -		
Other purchased services	3,848	4,784
Total Expenditures	276,379	339,966
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

TITLE II-A TEACHER QUALITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Federal aid	$ 52,182	$ 59,566
Expenditures:		
Instruction Support Staff -		
Purchased professional services	50,092	37,875
Other purchased services	2,090	20,091
Supplies	-	1,600
Total Expenditures	52,182	59,566
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

TITLE VI-B DISCRETIONARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Federal aid	$ 38,785	$ 38,785
Expenditures:		
Instruction -		
Certified salaries	38,785	38,785
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 418
McPherson, Kansas

SPECIAL PURPOSE FUND

TITLE VI-B PASSTHROUGH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual
Receipts:		
Federal aid	$ 1,009,427	$ 1,038,938
Expenditures:		
Instruction -		
Certified salaries	738,094	762,749
Insurance	95,994	107,999
Social Security	49,361	52,364
Other employee benefits	4,143	3,880
Total Expenditures	1,009,427	1,038,938
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 418
McPherson, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST 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)

		2021		
	2020 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 1,709,687	$ 2,016,827	$ 1,854,174	$ 162,653
Delinquent tax	6,710	17,080	25,972	(8,892)
Motor vehicle tax	69,132	78,398	108,438	(30,040)
Recreational vehicle tax	1,070	2,266	1,857	409
Commercial vehicle tax	7,611	50,085	7,205	42,880
Miscellaneous revenue	-	3,970	-	3,970
State aid	81,717	48,354	48,354	-
Total Receipts	1,875,927	2,216,980	$ 2,046,000	$ 170,980
Expenditures:				
Interest	327,972	317,085	$ 317,085	$ -
Principal	580,000	650,000	650,000	-
Total Expenditures	907,972	967,085	$ 967,085	$ -
Receipts Over (Under) Expenditures	967,955	1,249,895		
Unencumbered Cash, Beginning	3,733,006	4,700,961		
Unencumbered Cash, Ending	$ 4,700,961	$ 5,950,856		

Unified School District Number 418
McPherson, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations:				
Middle School -				
Student Projects	$ 2,543	$ 2,801	$ 2,040	$ 3,304
Student Council	3,956	-	-	3,956
High School -				
AP Test Refund	4,006	7,567	1,716	9,857
Art Club	311	237	-	548
Band	112	7,716	7,727	101
Baseball Fundraising	3,851	21,999	21,008	4,842
Basketball Fundraising	1,196	598	993	801
Bowling	1,205	198	159	1,244
Boys Golf	3,435	12	2,616	831
Boys Swimming Fundraising	12,564	624	38	13,150
Class of 2020	9,062	15	9,077	-
Class of 2021	10,744	2,105	12,849	-
Class of 2022	6,466	17,122	17,255	6,333
Class of 2023	2,175	333	-	2,508
Cross Country Fundraising	1,049	1,389	677	1,761
Football Fundraising	5,858	14,163	17,270	2,751
Future Farmers of America	4,771	676	367	5,080
FCCLA	872	3	197	678
Girls Basketball Fundraising	4	4,896	4,602	298
Girls Soccer Fundraising	1,447	476	406	1,517
Girls Swimming Fundraising	13,019	95	721	12,393
Girls Tennis	788	61	466	383
HOSA	614	2	-	616
International Club	1,076	731	298	1,509
JAG-K	-	366	46	320
KAY	4,404	135	802	3,737
Library Shop	351	259	610	-
Mac Hi-Steppers	1,956	7,225	6,872	2,309
MHS-School Store	1,750	6	33	1,723
National Forensics League	6,090	13,619	7,924	11,785
National Honor Society	7	581	385	203
Orchestra	7,706	4,114	8,283	3,537
PAWS	425	1	-	426
Pep Club	1,590	12,655	11,973	2,272
Pup Prints	1,973	5,091	5,638	1,426
Science Club	1,553	5	148	1,410
Scholars Bowl	741	62	158	645
Soccer Fundraising	331	295	411	215
Softball Fundraising	1,343	403	1,610	136
Student Government	2,136	111	822	1,425
Tennis	226	508	539	195
Thespians	4,183	6,026	5,084	5,125

Unified School District Number 418
McPherson, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations:				
High School (cont.) -				
Track & Field Fundraising	$ 4,156	$ 6,577	$ 8,650	$ 2,083
Vending/Concession	2,309	4,364	4,218	2,455
Vending/Management	3,945	15,512	15,136	4,321
Vocal Music	197	8,346	7,127	1,416
Volleyball Fundraising	2,913	4,973	5,442	2,444
VICA	1,194	4	-	1,198
Wrestling Fundraising	1,449	5,543	3,322	3,670
Total Student Organization Funds	144,052	180,600	195,715	128,937
Other Agency Funds:				
Sales Tax	547	12,277	12,253	571
Total Agency Funds	$ 144,599	$ 192,877	$ 207,968	$ 129,508

Unified School District Number 418
McPherson, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts:						
Middle School -						
Athletics	$ 11,260	$ 39,088	$ 41,594	$ 8,754	$ -	$ 8,754
Book Rental	-	31,412	31,412	-	-	-
High School -						
Athletics	18,077	288,922	269,594	37,405	-	37,405
Musical	3,292	2,953	3,514	2,731	-	2,731
Play	2	1,513	930	585	-	585
Total District Activity Funds	$ 32,631	$ 363,888	$ 347,044	$ 49,475	$ -	$ 49,475

UNIFIED SCHOOL DISTRICT NUMBER 418
MCPHERSON, KANSAS

OTHER SUPPLEMENTAL INFORMATION
SINGLE AUDIT SECTION

FISCAL YEAR ENDED JUNE 30, 2021

INDEPENDENT AUDITOR'S 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

Board of Education
Unified School District Number 418
514 North Main
McPherson, Kansas 67460

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, and the *Kansas Municipal Audit and Accounting Guide,* the financial statement of Unified School District Number 418 (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statement, which collectively comprise the District's basic financial statement and have issued our report thereon dated September 20, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll Janzen Hawk & Loyd, LLC
Hutchinson, Kansas

September 20, 2021

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

Board of Education
Unified School District Number 418
514 North Main
McPherson, Kansas 67460

Report on Compliance for Each Major Federal Program

We have audited Unified School District Number 418's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Unified School District Number 418 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 the District's internal control over compliance.

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

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

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

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll Janzen Hawk & Loyd, LLC
Hutchinson, Kansas

September 20, 2021

Unified School District Number 418
McPherson, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture			
Passed through Kansas Department of Education -			
Child Nutrition Cluster			
National School Lunch Program	10.555	DO418	$ 286,446
Summer Food Service Program for Children	10.559	DO418	1,302,492
Total Child Nutrition Cluster			1,588,938
Child and Adult Care Food Program	10.558	DO418	10,054
Total U.S. Department of Agriculture			1,598,992
U.S. Department of Education			
Passed through Kansas Department of Education -			
Special Education Cluster (IDEA)			
Special Education - Grants to States - IDEA Part B	84.027	DO418	1,077,723
Special Education - Preschool Grants	84.173	DO418	28,833
Total Special Education Cluster (IDEA)			1,106,556
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	DO418	197,747
Title I Grants to Local Educational Agencies	84.010	DO418	319,090
Title IV-A - FY20	84.424	DO418	21,764
Title II-A Teacher Quality	84.367	DO418	58,678
Total U.S. Department of Education			1,703,835
U.S. Department of Health and Human Services			
Head Start	93.600	07CH01099801	1,355,488
TANF - Early Learning Kansans	93.558	DO418	32,030
Total U.S. Department of Health and Human Services			1,387,518
U.S. Department of the Treasury			
COVID-19 Coronavirus Relief Fund	21.019	DO418	1,009,200
Total Expenditures of Federal Awards			$ 5,699,545

Unified School District Number 418
McPherson, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

Notes to the Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Unified School District Number 418, McPherson, Kansas (the District), under programs of the federal government for the year ended June 30, 2021. The information in the 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using a regulatory basis of accounting prescribed by the Kansas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

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

Note 3 - Funds Expended

Funds where federal expenditures were receipted and expended:

Food Service Fund	$	1,588,938
Title I Fund		339,966
Title II-A Teacher Quality Fund		59,566
Title VI-B Discretionary Fund		38,785
Title VI-B Pass-through Fund		1,038,938
Federal Funds Fund		1,206,947
Head Start Fund		1,365,542
Early Childhood Pass-through Fund		28,833
Gifts and Grants Fund		32,030
	$	5,699,545

Unified School District Number 418
McPherson, Kansas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

Section 1 – Summary of Auditor's Results

Financial Statements

1. Type of auditor's opinion issued on whether the financial statements audited were prepared in accordance with GAAP:	Adverse
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
3. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of major programs:	

Name of Federal Program or Cluster	CFDA Number
Head Start	93.600
Coronavirus Relief	21.019

5. Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	No

Section 2 – Findings – Financial Statement Audit

There were no reportable findings.

Section 3 – Findings and Questioned Costs – Major Federal Award Programs

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Head Start - CFDA Number 93.600

There were no reportable findings.

U.S. DEPARTMENT OF THE TREASURY

Coronavirus Relief - CFDA Numbers 21.019

There were no reportable findings.

Unified School District Number 418
McPherson, Kansas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2021

FINDINGS AND QUESTIONED COSTS- MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. DEPARTMENT OF AGRICULTURE

Child Nutrition Cluster – CFDA Number 10.553, 10.555, 10.559.

NONE

U.S. DEPARTMENT OF EDUCATION

Special Education Cluster - CFDA Numbers 84.027 and 84.173.

NONE