SSC CPAs, P.A.

UNIFIED SCHOOL DISTRICT NO. 331

FINANCIAL STATEMENT WITH REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2021

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SSC CPAs, P.A.

Independent Auditor's Report

To the Board of Education
Unified School District No. 331
Kingman, Kansas

Report on the Financial Statement

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 331, Kingman, 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 2; 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, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the 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 2 of the financial statement, the financial statement is prepared by Unified School District No. 331 to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 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 No. 331, as of June 30, 2021 or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 331, 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 2.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of receipts and disbursements – agency funds, and schedule of receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 331 as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated November 18, 2021, which contained an unmodified opinion on the

basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://www.admin.ks.gov/offices/chief-financial-officer.municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and related 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 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 2.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement themself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statement as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2022 on our consideration of the Unified School District No. 331's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Unified School District No. 331'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 No. 331's internal control over financial reporting and compliance.

SSC CPAs, P.A.

SSC CPAs, P.A
Salina, Kansas

February 9, 2022

UNIFIED SCHOOL DISTRICT NO. 331
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

STATEMENT 1

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	$ -	$ 7,447,295	$ 7,447,295	$ -	$ 26,187	$ 26,187
Supplemental General	165,138	2,646,487	2,506,674	304,951	69,927	374,878
Special Purpose Funds:						
Capital Outlay	1,748,416	743,195	751,670	1,739,941	279,754	2,019,695
Driver Training	35,000	17,892	17,892	35,000	-	35,000
Food Service	122,003	595,033	557,037	159,999	36,424	196,423
Special Education	450,000	1,608,230	1,658,230	400,000	-	400,000
Career and Postsecondary Education	125,000	576,725	576,725	125,000	453	125,453
At Risk (4 Year Old)	-	43,405	43,405	-	-	-
At Risk (K-12)	65,000	1,085,037	1,100,037	50,000	177	50,177
Recreation Commission	8,899	347,245	326,482	29,662	-	29,662
Recreation Commission Employee Benefits	1,792	53,289	50,000	5,081	-	5,081
Professional Development	32,000	1,787	6,287	27,500	-	27,500
KPERS Special Retirement Contribution	-	825,470	825,470	-	-	-
Virtual Education	229,300	157,056	168,356	218,000	12,572	230,572
Textbook Rental	210,834	35,376	118,484	127,726	23,747	151,473
Title I	-	541,348	541,348	-	585	585
Title II-A	2,007	39,750	41,757	-	4,690	4,690
Title IV-A	1,661	18,263	19,924	-	13,021	13,021

UNIFIED SCHOOL DISTRICT NO. 331
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

STATEMENT 1

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Special Purpose Funds:						
Carl D. Perkins Grant	$ -	$ 5,474	$ 5,474	$ -	$ -	$ -
Gifts and Grants	7,125	70,463	44,217	33,371	-	33,371
Contingency Reserve	900,000	-	-	900,000	-	900,000
QZAB Lease Sinking	1,154,745	128,084	-	1,282,829	-	1,282,829
District Activity	93,271	225,179	207,599	110,851	-	110,851
Bond and Interest Fund:						
Bond and Interest	472,924	34,231	-	507,155	-	507,155
Trust Fund:						
Scholarships	218,037	2,352	3,550	216,839	-	216,839
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)	$ 6,043,152	$ 17,248,666	$ 17,017,913	$ 6,273,905	$ 467,537	$ 6,741,442
COMPOSITION OF CASH:						
Checking and Saving Accounts						$ 5,349,202
Certificates of Deposits						213,134
QZAB Lease Sinking Fund (Certificates of Deposit)						1,282,829
Total Cash						6,845,165
Agency Funds per Schedule 3						(103,723)
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)						$ 6,741,442

1. REPORTING ENTITY

Unified School District No. 331 (the District) is a municipal corporation governed by an elected seven-member Board of Education. This financial statement presents Unified School District No. 331 (the municipality).

This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the District and/or its constituents.

> Kingman-Norwich Recreation Commission. The Kingman-Norwich Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body but the District levies taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property but can acquire real property by gift. The audited financial statement is available at the Kingman-Norwich Recreation Commission's office.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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

> General Fund - The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.
>
> Special Purpose Fund - Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Projects 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.

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

3. 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 the 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 a 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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Textbook Rental Fund
Title II-A Fund
Carl D. Perkins Grant Fund
Contingency Reserve Fund
District Activity Fund
Title I Fund
Title IV-A Fund
Gifts and Grants Fund
QZAB Lease Sinking Fund

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

4. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the 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 deposits with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

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

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

At June 30, 2021, the District's carrying amount of deposits was $6,845,165 and the bank balance was $7,370,885. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $750,000 was covered by federal depository insurance, $4,572,398 collateralized with securities held by the pledging financial institutions' agents in the District's name, and the remaining $2,048,487 was secured with an irrevocable letter of credit issued by Federal Home Loan Bank of Topeka.

5. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $314,266 for General State Aid and $83,893 for Supplemental General State Aid 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.

6. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Special Education Fund	K.S.A. 72-5167	$ 1,529,655
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	417,725
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	843,446
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-5167	43,405
General Fund	Virtual Education Fund	K.S.A. 72-5167	146,503
General Fund	Professional Development Fund	K.S.A. 72-5167	299
General Fund	Driver Training Fund	K.S.A. 72-5167	649
General Fund	Food Service Fund	K.S.A. 72-5167	1,179
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5143	155,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	241,591

7. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

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

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

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 House bill 2002 authorized 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 KEPRS 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 cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $825,470 for the year ended June 30, 2021.

Net Pension Liability

At June 30, 2021, the District's proportionate share of the net pension liability reported by KPERS was $8,635,835. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2020. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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 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.

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.

Termination Benefits. The District provides an early retirement program for certain eligible employees. An

employee is eligible for early retirement if such employee meets the criteria as stated in the District's early retirement policy. Early retirement benefits will be provided by the District for a maximum of five years from the date of retirement with no benefits being paid after the retiree's 65th birthday.

Licensed employees with 15 years of experience within the District who have accumulated leave days up to 70 days upon retirement from the District or retirement due to medical disability will be compensated for the unused leave days at the rate of $50 per day. Classified employees with 15 years of experience within the District who are eligible for exercising a retirement option in KPERS, will be paid for accumulated unused sick leave at $30 per day and unused vacation leave at the employee's daily rate of pay.

Compensated Absences. The District provides compensation for absences. Classified employees earn vacation leave according to the following schedule:

Years of Service	Vacation Earned
1-14	10 days per year
15-24	15 days per year
25 or more	20 days per year

Certified employees earn 12 days of chargeable leave per school year. At the end of the school year, any unused chargeable leave days become accumulated personal sick leave up to a maximum of 61 days. Licensed personnel shall be paid $40 for each full day of leave which he/she has accumulated in excess of 61 days at the completion of their annual contract up to a maximum of 9 days.

Classified employees are entitled to sick leave and is earned at the rate of one day per calendar month based on actual hours worked per day, cumulative according to the following schedule:

Employment Term	Maximum Accumulation
12 month employees	60 days
11 month employees	55 days
10.5 month employees	52.5 days
9 month employees	45 days

When accumulated sick leave days are above the maximum number of accumulated days, classified employees shall be reimbursed for such days at the rate of 30% of their daily rate of pay.

9. RISK AND UNCERTAINTIES

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 to protect itself from these risks.

As a result of significant disruption in the U.S. economy due to the outbreak of the COVID-19 Coronavirus in 2020, uncertainties have arisen which are likely to negatively impact future operating results. The duration and extent to which COVID-19 may impact financial performance is unknown at this time.

10. QUALIFIED ZONE ACTIVITY BOND (QZAB) LEASE

The District makes payments to a non-interest bearing sinking fund established for the QZAB Lease described in Note 12. Each year, the District pays $125,000 to the sinking fund which will be applied to the principal due on the lease upon maturity. The QZAB Lease Sinking Fund has an unencumbered balance of $1,282,829 at June 30, 2021 which includes interest earned. The United States Treasury, as part of the Qualified Zone Academy Bond program, paid $82,800 of interest on this lease for the fiscal year ended June 30, 2021. The portion of interest to be paid by the United States Treasury is not known in advance, so the full interest obligation is listed in Note 12 for future periods.

11. SUBSEQUENT EVENTS

The District's management has evaluated events and transactions occurring after June 30, 2021 through February 9, 2022. The aforementioned date represents the date the financial statement was available to be issued.

12. LONG-TERM DEBT

Changes in long-term liabilites for the District for the fiscal 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	Balance End of Year	Interest Paid
Capital Lease:									
QZAB Lease	5.52%	5/18/2011	1,500,000	5/18/2023	$ 1,500,000	$ -	$ -	$ 1,500,000	$ 82,800
Total Contractual Indebtedness					$ 1,500,000	$ -	$ -	$ 1,500,000	$ 82,800

Current maturities of long-term debt and interest for the next two fiscal years are as follows:

	Year		
	2022	2023	Total
Principal			
QZAB Lease	$ -	$ 1,500,000	$ 1,500,000
Interest			
QZAB Lease	82,800	82,800	165,600
Total Principal and Interest	$ 82,800	$ 1,582,800	$ 1,665,600

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 331
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

SCHEDULE 1

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:						
General	$ 7,975,728	$ (571,617)	$ 43,184	$ 7,447,295	$ 7,447,295	$ -
Supplemental General	2,608,969	(141,112)	38,817	2,506,674	2,506,674	-
Special Purpose Funds:						
Capital Outlay	2,451,991	-	-	2,451,991	751,670	(1,700,321)
Driver Training	48,650	-	-	48,650	17,892	(30,758)
Food Service	555,000	-	26,976	581,976	557,037	(24,939)
Special Education	2,118,428	-	-	2,118,428	1,658,230	(460,198)
Career and Postsecondary Education	716,000	-	4,000	720,000	576,725	(143,275)
At Risk (4 Year Old)	91,380	-	-	91,380	43,405	(47,975)
At Risk (K-12)	1,100,037	-	-	1,100,037	1,100,037	-
Recreation Commission	326,482	-	-	326,482	326,482	-
Recreation Commission Employee Benefits	50,000	-	-	50,000	50,000	-
Professional Development	45,000	-	-	45,000	6,287	(38,713)
KPERS Special Retirement Contribution	958,341	-	-	958,341	825,470	(132,871)
Virtual Education	356,000	-	10,103	366,103	168,356	(197,747)
Bond and Interest Funds:						
Bond and Interest	-	-	-	-	-	-

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Mineral Tax	$ 9,842	$ 4,457	$ 9,000	$ (4,543)
State Aid				
General State Aid	6,310,823	6,374,360	6,561,728	(187,368)
Special Education Aid	1,095,755	1,025,294	1,405,000	(379,706)
Reimbursements	2,407	-	-	-
SPARK Funding	-	43,184	-	43,184
Total Receipts	7,418,827	7,447,295	$ 7,975,728	$ (528,433)
Expenditures				
Instruction	2,890,599	2,905,260	$ 3,224,430	$ (319,170)
Student Support Services	162,612	183,147	162,750	20,397
Instructional Support Services	13,454	14,020	10,950	3,070
School Administration	456	207	400	(193)
Operations and Maintenance	1,071,874	965,879	1,086,565	(120,686)
Vehicle Operating Service	322,604	300,740	361,850	(61,110)
Vehicle Service and Maintenance	108,926	95,181	89,962	5,219
Operating Transfers	2,848,302	2,982,861	3,038,821	(55,960)
Adjustment to Comply With Legal Max	-	-	(571,617)	571,617
General Legal Fund Budget	7,418,827	7,447,295	7,404,111	43,184
Adjustment for Qualifying Budget Credit	-	-	43,184	(43,184)
Total Expenditures	7,418,827	7,447,295	$ 7,447,295	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	$ 1,093,978	$ 1,226,036	$ 1,003,593	$ 222,443
Delinquent Tax	25,719	34,739	52,137	(17,398)
Motor Vehicle Tax	140,280	147,292	122,668	24,624
Recreational Vehicle Tax	1,922	2,155	1,732	423
Commercial Vehicle Tax	8,222	8,681	6,961	1,720
State Aid				
Supplemental State Aid	1,187,400	1,188,767	1,256,740	(67,973)
SPARK Funding	-	38,817	-	38,817
Total Receipts	2,457,521	2,646,487	$ 2,443,831	$ 202,656
Expenditures				
Instruction	308,664	525,290	$ 341,146	$ 184,144
Student Support Services	197,234	201,108	233,675	(32,567)
General Administration	208,075	213,238	228,200	(14,962)
School Administration	545,630	503,621	606,150	(102,529)
Central Services	397,389	406,371	470,990	(64,619)
Operations and Maintenance	304,225	260,455	332,217	(71,762)
Operating Transfers	543,847	396,591	396,591	-
Adjustment to Comply with Legal Max	-	-	(141,112)	141,112
General Legal Fund Budget	2,505,064	2,506,674	2,467,857	38,817
Adjustment for Qualifying Budget Credit	-	-	38,817	(38,817)
Total Expenditures	2,505,064	2,506,674	$ 2,506,674	$ -
Receipts Over (Under) Expenditures	(47,543)	139,813		
Unencumbered Cash, Beginning	212,681	165,138		
Unencumbered Cash, Ending	$ 165,138	$ 304,951		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	$ 481,058	$ 473,725	$ 424,307	$ 49,418
Delinquent Tax	10,010	14,446	22,930	(8,484)
Motor Vehicle Tax	56,241	63,617	52,826	10,791
Recreational Vehicle Tax	780	930	746	184
Commercial Vehicle Tax	3,464	3,803	2,998	805
State Aid				
Capital Outlay State Aid	193,524	164,942	174,268	(9,326)
Interest On Idle Funds	4,673	4,296	5,500	(1,204)
Other Sources	66,789	17,436	20,000	(2,564)
Operating Transfers	629	-	-	-
Total Receipts	817,168	743,195	$ 703,575	$ 39,620
Expenditures				
Instruction	5,344	190,645	$ 1,030,000	$ (839,355)
Student Support Services	-	-	44,109	(44,109)
Instructional Support Staff	-	-	50,000	(50,000)
Operations and Maintenance	100,984	352,476	800,000	(447,524)
Transportation	83,208	78,829	397,882	(319,053)
Debt Service	129,885	129,720	130,000	(280)
Total Expenditures	319,421	751,670	$ 2,451,991	$ (1,700,321)
Receipts Over (Under) Expenditures	497,747	(8,475)		
Unencumbered Cash, Beginning	1,250,669	1,748,416		
Unencumbered Cash, Ending	$ 1,748,416	$ 1,739,941		

UNIFIED SCHOOL DISTRICT NO. 331
DRIVER TRAINING 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 3,900	$ 4,488	$ 3,525	$ 963
Student Fees	715	12,755	10,125	2,630
Operating Transfers	1,054	649	-	649
Total Receipts	5,669	17,892	$ 13,650	$ 4,242
Expenditures				
Instruction	966	15,281	$ 44,150	$ (28,869)
Vehicle Operations	313	2,611	4,500	(1,889)
Total Expenditures	1,279	17,892	$ 48,650	$ (30,758)
Receipts Over (Under) Expenditures	4,390	-		
Unencumbered Cash, Beginning	30,610	35,000		
Unencumbered Cash, Ending	$ 35,000	$ 35,000		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 4,235	$ 5,071	$ 2,654	$ 2,417
Federal Aid	355,678	524,720	239,837	284,883
Local Receipts	143,305	37,087	109,711	(72,624)
SPARK Funding	-	26,976	-	26,976
Operating Transfers	195	1,179	80,795	(79,616)
Total Receipts	503,413	595,033	$ 432,997	$ 162,036
Expenditures				
Food Service Operation	501,610	557,037	$ 555,000	$ 2,037
Adjustment for Qualifying Budget Credit	-	-	26,976	(26,976)
Total Expenditures	1,508,436	557,037	$ 581,976	$ (24,939)
Receipts Over (Under) Expenditures	1,803	37,996		
Unencumbered Cash, Beginning	120,200	122,003		
Unencumbered Cash, Ending	$ 122,003	$ 159,999		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ -	$ 18,428	$ 18,428	$ -
Other Sources	60,344	60,147	110,000	(49,853)
Operating Transfers	1,610,889	1,529,655	1,540,000	(10,345)
Total Receipts	1,671,233	1,608,230	$ 1,668,428	$ (60,198)
Expenditures				
Instruction	1,619,094	1,596,098	$ 2,020,428	$ (424,330)
Vehicle Operating Service	30,581	39,155	65,100	(25,945)
Vehicle Services & Maintenance	15,140	15,995	18,575	(2,580)
Other Student Transportation Service	6,418	6,982	14,325	(7,343)
Total Expenditures	1,671,233	1,658,230	$ 2,118,428	$ (460,198)
Receipts Over (Under) Expenditures	-	(50,000)		
Unencumbered Cash, Beginning	450,000	450,000		
Unencumbered Cash, Ending	$ 450,000	$ 400,000		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Other Sources	$ 23,360	$ -	$ 20,000	$ (20,000)
State Aid	72,903	-	16,000	(16,000)
SPARK Funding	-	4,000	-	4,000
Operating Transfers	511,469	572,725	555,000	17,725
Total Receipts	607,732	576,725	$ 591,000	$ (14,275)
Expenditures				
Instruction	559,291	532,848	$ 657,900	$ (125,052)
Vehicle Operations	48,441	43,877	58,100	(14,223)
General Legal Fund Budget	607,732	576,725	716,000	(139,275)
Adjustment for Qualifying Budget Credit	-	-	4,000	(4,000)
Total Expenditures	607,732	576,725	$ 720,000	$ (143,275)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	125,000	125,000		
Unencumbered Cash, Ending	$ 125,000	$ 125,000		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 48,796	$ 43,405	$ 91,380	$ (47,975)
Expenditures				
Instruction	48,796	43,405	$ 91,380	$ (47,975)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 1,100,000	$ 1,085,037	$ 1,035,037	$ 50,000
Expenditures				
Instruction	1,100,000	1,100,037	$ 1,100,037	$ -
Receipts Over (Under) Expenditures	-	(15,000)		
Unencumbered Cash, Beginning	65,000	65,000		
Unencumbered Cash, Ending	$ 65,000	$ 50,000		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	$ 298,204	$ 295,567	$ 267,891	$ 27,676
Delinquent Tax	6,427	9,016	14,331	(5,315)
Motor Vehicle Tax	35,499	39,705	33,020	6,685
Recreational Vehicle Tax	488	581	466	115
Commercial Vehicle Tax	2,165	2,376	1,874	502
Total Receipts	342,783	347,245	$ 317,582	$ 29,663
Expenditures				
Appropriations	355,265	326,482	$ 326,482	$ -
Receipts Over (Under) Expenditures	(12,482)	20,763		
Unencumbered Cash, Beginning	21,381	8,899		
Unencumbered Cash, Ending	$ 8,899	$ 29,662		

UNIFIED SCHOOL DISTRICT NO. 331
RECREATION COMMISSION EMPLOYEE BENEFITS 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	$ 34,575	$ 47,024	$ 42,447	$ 4,577
Delinquent Tax	1,137	1,322	1,662	(340)
Motor Vehicle Tax	6,300	4,602	3,827	775
Recreational Vehicle Tax	85	67	54	13
Commercial Vehicle Tax	276	274	218	56
Total Receipts	42,373	53,289	$ 48,208	$ 5,081
Expenditures				
Appropriations	45,000	50,000	$ 50,000	$ -
Receipts Over (Under) Expenditures	(2,627)	3,289		
Unencumbered Cash, Beginning	4,419	1,792		
Unencumbered Cash, Ending	$ 1,792	$ 5,081		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 4,774	$ 1,488	$ 4,800	$ (3,312)
Operating Transfers	25,631	299	8,200	(7,901)
Total Receipts	30,405	1,787	$ 13,000	$ (11,213)
Expenditures				
Instructional Support Services	30,405	6,287	$ 45,000	$ (38,713)
Receipts Over (Under) Expenditures	-	(4,500)		
Unencumbered Cash, Beginning	32,000	32,000		
Unencumbered Cash, Ending	$ 32,000	$ 27,500		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 853,604	$ 825,470	$ 958,341	$ (132,871)
Expenditures				
Employee Benefits	853,604	825,470	$ 958,341	$ (132,871)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Miscellaneous	$ 270	$ 450	$ 1,700	$ (1,250)
SPARK Funding	-	10,103	-	10,103
Operating Transfers	93,486	146,503	125,000	21,503
Total Receipts	93,756	157,056	$ 126,700	$ 30,356
Expenditures				
Instruction	76,298	122,525	$ 243,500	$ (120,975)
Student Support Services	9,126	8,149	43,400	(35,251)
School Administration	21,175	29,489	41,100	(11,611)
Operations and Maintenance	2,617	8,193	28,000	(19,807)
General Legal Fund Budget	109,216	168,356	356,000	(187,644)
Adjustment for Qualifying Budget Credit	-	-	10,103	(10,103)
Total Expenditures	109,216	168,356	$ 366,103	$ (197,747)
Receipts Over (Under) Expenditures	(15,460)	(11,300)		
Unencumbered Cash, Beginning	244,760	229,300		
Unencumbered Cash, Ending	$ 229,300	$ 218,000		

UNIFIED SCHOOL DISTRICT NO. 331
TEXTBOOK RENTAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Fees	$ 30,529	$ 35,376
Expenditures		
Textbooks	65,693	118,484
Receipts Over (Under) Expenditures	(35,164)	(83,108)
Unencumbered Cash, Beginning	245,998	210,834
Unencumbered Cash, Ending	$ 210,834	$ 127,726

UNIFIED SCHOOL DISTRICT NO. 331
TITLE I FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 180,239	$ 200,895
CARES Funding	-	340,453
Total Receipts	180,239	541,348
Expenditures		
Instruction	179,714	541,348
Instructional Support Services	525	-
Total Expenditures	180,239	541,348
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 331
TITLE II-A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 37,898	$ 39,750
Expenditures		
Instruction Support Services	35,891	41,757
Receipts Over (Under) Expenditures	2,007	(2,007)
Unencumbered Cash, Beginning	-	2,007
Unencumbered Cash, Ending	$ 2,007	$ -

UNIFIED SCHOOL DISTRICT NO. 331
TITLE IV-A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
State Aid	$ 16,682	$ 18,263
Expenditures		
Instruction Support Services	15,021	19,924
Receipts Over (Under) Expenditures	1,661	(1,661)
Unencumbered Cash, Beginning	-	1,661
Unencumbered Cash, Ending	$ 1,661	$ -

UNIFIED SCHOOL DISTRICT NO. 331
CARL D. PERKINS GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Grants	$ 15,933	$ 5,474
Expenditures		
Instruction	7,795	4,974
Instructional Support Services	8,138	500
Total Expenditures	15,933	5,474
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 331
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Grants and Donations	$ 36,563	$ 70,463
Expenditures		
Grant Expenditures	81,169	44,217
Receipts Over (Under) Expenditures	(44,606)	26,246
Unencumbered Cash, Beginning	51,731	7,125
Unencumbered Cash, Ending	$ 7,125	$ 33,371

UNIFIED SCHOOL DISTRICT NO. 331
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers	$ -	$ -
Expenditures		
Operating Transfers	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	900,000	900,000
Unencumbered Cash, Ending	$ 900,000	$ 900,000

UNIFIED SCHOOL DISTRICT NO. 331
QZAB LEASE SINKING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2020)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Lease Payments to Sinking Fund	$ 125,000	$ 125,000
Interest On Idle Funds	6,940	3,084
Total Receipts	131,940	128,084
Expenditures		
Debt Service	-	-
Receipts Over (Under) Expenditures	131,940	128,084
Unencumbered Cash, Beginning	1,022,805	1,154,745
Unencumbered Cash, Ending	$ 1,154,745	$ 1,282,829

UNIFIED SCHOOL DISTRICT NO. 331
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	$ 14,256	$ 76	$ -	$ 76
Delinquent Tax	9,962	7,458	-	7,458
Motor Vehicle Tax	54,648	25,958	25,496	462
Recreational Vehicle Tax	747	396	360	36
Commercial Vehicle Tax	2,798	343	1,447	(1,104)
Total Receipts	82,411	34,231	$ 27,303	$ 6,928
Expenditures				
Debt Service	-	-	$ -	$ -
Receipts Over (Under) Expenditures	82,411	34,231		
Unencumbered Cash, Beginning	390,513	472,924		
Unencumbered Cash, Ending	$ 472,924	$ 507,155		

UNIFIED SCHOOL DISTRICT NO. 331
SCHOLARSHIPS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

SCHEDULE 2

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance
Doris Near Fund	$ 44,676	$ 544	$ 2,000	$ 43,220
Ina Toland Scholarship	51,076	205	-	51,281
Martha Alford Scholarship	20,783	253	-	21,036
Pugh Scholarship Fund	28,462	290	-	28,752
Fred and Irene Cloud Scholarship	20,128	243	-	20,371
Ferguson Relief Fund	15,526	130	-	15,656
John and Ethel Whetzel Scholarship	12,865	52	-	12,917
Bob Vanlandingham Fund	6,219	76	250	6,045
Aaron Laing Memorial Fund	4,841	209	-	5,050
Sisters of Habit Scholarship	6,243	63	-	6,306
Greg Berry Scholarship	3,381	41	500	2,922
Adams Union Sunday School Scholarship	3,163	38	200	3,001
Ruth Miller Scholarship	674	208	600	282
Totals	$ 218,037	$ 2,352	$ 3,550	$ 216,839

UNIFIED SCHOOL DISTRICT NO. 331
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

SCHEDULE 3

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Kingman High School				
Class of '20	$ 792	$ -	$ 792	$ -
Class of '21	2,253	715	2,968	-
Class of '22	2,950	2,885	3,374	2,461
Class of '23	3,866	4,611	2,145	6,332
Class of '24	-	1,404	120	1,284
Class of '25	-	681	-	681
Art Club	4,235	-	-	4,235
Band	15	15	-	30
Career Day	262	-	-	262
Cheerleaders	3,536	9,174	7,749	4,961
Choir	-	440	408	32
Community Experiences	2,060	-	56	2,004
Entrepreneurship Store	2,489	100	-	2,589
FBLA	14,802	10,480	17,511	7,771
FCA	408	-	-	408
FCCLA	58	7,295	3,978	3,375
FFA	2,276	6,224	5,816	2,684
FFA RODEO	1,336	-	-	1,336
Government Activities	244	-	-	244
Graphic Design	1,446	-	-	1,446
Interact	328	-	-	328
JAG	513	-	-	513
MS Cheerleaders	-	189	154	35
National Honor Society	847	25	137	735
SADD	183	-	-	183
Science	228	-	-	228
Student Council HS	2,620	2,506	4,284	842
Student Council MS	-	4,849	806	4,043
TTLT	4,073	1,017	1,787	3,303
Outdoor Club	1,596	-	1,027	569
Veterans Day	589	-	-	589
Youth in Government	1,221	-	1,221	-
Subtotal Kingman High School	55,226	52,610	54,333	53,503

UNIFIED SCHOOL DISTRICT NO. 331
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

SCHEDULE 3

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Norwich School				
Class of '19	$ 32	$ -	$ 32	$ -
Class of '20	521	-	521	-
Class of '21	6,770	-	2,864	3,906
Class of '22	-	7,703	7,250	453
Class of '23	197	3,657	-	3,854
4th Grade	21	-	-	21
3rd Grade	239	-	-	239
2nd Grade	265	-	-	265
1st Grade	188	-	126	62
Kindergarten	65	-	-	65
Pre-School	294	294	287	301
Cheerleaders	1,507	7,653	8,747	413
Cheerleaders Junior High	861	2,382	1,702	1,541
Engineering	589	-	-	589
Entrepreneurship Stores	741	-	-	741
Forensics	2,522	-	186	2,336
FCA	2,703	9,024	8,051	3,676
Graphic Design	1	-	-	1
Kayettes	2,280	2,379	2,543	2,116
National Honor Society	1,893	-	126	1,767
Outdoor Club	2,497	-	-	2,497
Productions	627	-	-	627
Quiz Bowl	12	-	-	12
SADD	4,624	1,120	193	5,551
SODA	2,187	-	-	2,187
Student Activities	4,990	1,845	1,487	5,348
Student Council	708	1,265	493	1,480
Student Discretionary	782	-	-	782
Student Elementary Activity	2,088	744	1,072	1,760
Subtotal Norwich School	40,204	38,066	35,680	42,590

UNIFIED SCHOOL DISTRICT NO. 331
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

SCHEDULE 3

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Kingman Elementary School				
Band	$ 145	$ -	$ -	$ 145
Cheerleaders	39	-	39	-
KDG - Memorial	2,425	-	-	2,425
Student Council	6,722	-	4,481	2,241
Student Activities	3,052	1,094	1,327	2,819
Subtotal Kingman Elementary	12,383	1,094	5,847	7,630
Total Student Organization Funds	107,813	91,770	95,860	103,723
Sales Tax				
Kingman High School	-	3,522	3,522	-
Subtotal Sales Tax	-	3,522	3,522	-
TOTAL AGENCY FUNDS	$ 107,813	$ 95,292	$ 99,382	$ 103,723

UNIFIED SCHOOL DISTRICT NO. 331
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021

SCHEDULE 4

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Ending Cash Balance
Gate Receipts					
Kingman Elementary	$ 2,569	$ 305	$ 908	$ 1,966	$ 1,966
Norwich School	12,047	33,101	20,619	24,529	24,529
Kingman High School	17,822	61,551	59,271	20,102	20,102
Subtotal Gate Receipts	32,438	94,957	80,798	46,597	46,597
School Projects					
Kingman Elementary	3,402	70	-	3,472	3,472
Norwich School	35,391	17,520	14,589	38,322	38,322
Kingman High School	20,321	5,764	4,856	21,229	21,229
Elementary Projects	666	-	-	666	666
Subtotal School Projects	59,780	23,354	19,445	63,689	63,689
Board Funds					
Kingman Elementary	-	19,484	19,484	-	-
Norwich School	1,053	31,299	31,787	565	565
Kingman High School	-	56,085	56,085	-	-
Subtotal Board Funds	1,053	106,868	107,356	565	565
TOTAL DISTRICT ACTIVITY FUNDS	$ 93,271	$ 225,179	$ 207,599	$ 110,851	$ 110,851

UNIFIED SCHOOL DISTRICT NO. 331

SINGLE AUDIT SECTION

JUNE 30, 2021

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

To the Board of Education of Unified School District No. 331:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Unified School District No. 331 (District), as of and for the year ended June 30, 2021, and the related notes to the financial statement, and have issued our report thereon dated February 9, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District No. 331'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 Unified School District No. 331's internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 331's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial 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 the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 331'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*.

Unified School District No. 331's Response to Findings

Unified School District No. 331's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Unified School District No. 331's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

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 Unified School District No. 331's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas

February 9, 2022

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

To the Board of Education of Unified School District No. 331:

Report on Compliance for the Major Federal Program

We have audited Unified School District No. 331's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Unified School District No. 331's major federal programs for the year ended June 30, 2021. Unified School District No. 331'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 Unified School District No. 331's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Unified School District No. 331'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 Unified School District No. 331's compliance.

Opinion on Each Major Federal Program

In our opinion, Unified School District No. 331 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal is not modified with respect to this matter.

Unified School District No. 331's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Unified School District No. 331's response

was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of Unified School District No. 331 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 Unified School District No. 331'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 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 Unified School District No. 331'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, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-002, that we consider to be a significant deficiency.

Unified School District No. 331's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs Unified School District No. 331's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas

February 9, 2022

UNIFIED SCHOOL DISTRICT NO. 331
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statement of Unified School District No. 331 which were prepared on the regulatory basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

2. A significant deficiency was identified in the design or operation of internal control over financial reporting. No material weaknesses were identified.

3. No instances of noncompliance material to the financial statement of Unified School District No. 331, which would be required to be reported in accordance with *Government Auditing Standards,* were disclosed during the audit.

4. A significant deficiency disclosed during the audit of the major federal award programs is reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance. No material weaknesses are reported.

5. The auditor's report on compliance for each major federal program for Unified School District No. 331 expresses an unmodified opinion on all major federal programs.

6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.

7. The programs tested as major programs were: Child Nutrition Cluster, Assistance Listing Number 10.555 and 10.559.

8. The threshold for distinguishing Type A and Type B programs was $750,000 for major Federal programs.

9. Unified School District No. 331 was determined to not be a low-risk auditee.

UNIFIED SCHOOL DISTRICT NO. 331
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINDINGS – FINANCIAL STATEMENT

2021-001 Internal Controls over Financial Statement Presentation (Significant Deficiency)

Criteria: An effective internal control system exists if controls are effective in preventing or detecting material misstatements in the preparation of the schedule of federal expenditures of federal awards (the schedule). It provides reasonable assurance for the reliability of financial information and compliance with laws and regulations.

Condition: We have determined that there was an inadequate design of internal control over the preparation of the schedule during the fiscal year ended June 30, 2021. The current financial reporting process does not ensure conformity with the regulatory basis of accounting

Cause: The District's policies and procedures were not designed to prepare the schedule in conformity with the regulatory basis of accounting.

Effect: The District did not prepare the schedule in conformity with the regulatory basis of accounting, which increases the likelihood of a material misstatement and noncompliance with laws and regulations.

Recommendation: We recommend the Board of Education and management review the financial reporting process. Once this review is complete, the District should then perform a risk assessment to determine the best way to implement appropriate internal controls over financial reporting to ensure conformity with the regulatory basis of accounting,

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and plans to develop proper written policies and procedures for the internal control over financial reporting to ensure conformity with the regulatory basis of accounting.

FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAM

2021-002 Written Procedures of Internal Control over Compliance (Significant Deficiency)

Federal Agency: U.S. Department of Agriculture
Program Name: Child Nutrition Cluster
Assistance Listing Number: 10.555 and 10.559
Award period: Year ended June 30, 2021

Criteria: According to 2 CFR 200, Subparts D and E an organization is required to maintain written policies for the internal control over compliance of federal awards.

Condition: The District does not maintain these written policies for the internal control over compliance of federal awards.

Cause: The District's policies and procedures were not designed to include written policies for the internal control over compliance of federal awards.

Effect: The absence of these written policies and procedures increases the risk that noncompliance of federal awards could occur and go undetected.

Recommendation: We recommend that the District develop written policies for the internal control over compliance of federal awards.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and plans to develop proper written policies for the internal control over compliance of federal awards.

UNIFIED SCHOOL DISTRICT NO. 331
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FINDINGS – FINANCIAL STATEMENT

None.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

None.

OTHER INFORMATION

UNIFIED SCHOOL DISTRICT NO. 331
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor/Program or Cluster Title	Assistance Listing Number	Pass-through Grantor and Number	Federal Expenditures
Child Nutrition Cluster			
United States Department of Agriculture			
(COVID-19) National School Lunch Program	10.555	Kansas State Department of Education,3530-3500	$ 79,617
Summer Food Service Program for Children	10.559	Kansas State Department of Education,3230-3020	445,103
Total United States Department of Agriculture			524,720
Total Child Nutrition Cluster			524,720
Other Programs			
Department of Education			
Title I Grants to Local Educational Agencies	84.010	Kansas State Department of Education,3532-3520	200,895
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	Kansas State Department of Education,3526-3860	41,757
Student Support and Academic Enrichment Program	84.424	Kansas State Department of Education,3113-3113	19,924
(COVID-19) Education Stabilization Fund Under The Coronavirus Aid Relief, And Economic Security Act	84.425	Kansas State Department of Education,3233-3040	168,208
Total Department of Education			430,784
Department of the Treasury			
Coronavirus Relief Fund	21.019	Kingman County, Kansas	313,753
Total Department of the Treasury			313,753
Total Other Programs			744,537
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 1,269,257

No awards were passed through to subrecipients

UNIFIED SCHOOL DISTRICT NO. 331
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District No. 331 (the District) and is presented on the regulatory basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the aggregate cash and unencumbered cash balance and the aggregate receipts and expenditures of the District as described in Note 2 to the District's financial statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the schedule are reported on the regulatory basis of accounting, as described in Note 2 to the District's financial statement.

3. DE MINIMIS INDIRECT COST RATE

In accordance with Section 2 U.S. *Code of Federal Regulations* Part 200.412 the District is allowed to elect to use the ten percent de minimis indirect cost rate. The District did not elect to use the 10% de minimis indirect cost rate.