UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
For the Fiscal Year Ended June 30, 2021

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

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

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FRONTENAC, KANSAS

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Diehl
Banwart
Bolton
Certified Public Accountants PA

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District #249, Frontenac, Kansas, as of and for the fiscal year ending 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 circumstance. 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 applicable audit requirements of the *Kansas Municipal Audit and Accounting Guide*. Those standards and the *Kansas Municipal Audit and Accounting Guide* 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 the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

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 the District as of June 30, 2021 or changes in financial position and cash flows thereof for the fiscal 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 the District as of June 30, 2021, and the aggregate receipts and expenditures for the fiscal year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the June 30, 2021 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances – regulatory basis (financial statement) as a whole. The summary of expenditures – actual and budget – regulatory basis, individual fund schedules of receipts and expenditures – actual and budget – regulatory basis, schedule of receipts and expenditures – agency funds – regulatory basis and the schedule of receipts, expenditures, and unencumbered cash – district activity funds – regulatory basis (Schedules 1, 2, 3 and 4 as listed in the table of contents), are presented for purposes of additional analysis and are not a required part of the financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Prior Year Comparative Numbers

The 2020 actual column presented in the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances and the individual fund schedules of regulatory basis receipts and expenditures--actual and budget (Schedule 2 as listed in the table of contents), are also presented for comparative analysis and was not a required part of the 2020 financial statement upon which we rendered an unmodified opinion dated November 5, 2020. The 2020 financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://admin.ks.gov/offices/chief-financial-officer/municipal-services. Such 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 2020 basic financial statement as a whole, on the basis of accounting described in Note 1.

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

November 1, 2021
Fort Scott, Kansas

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis
For the Fiscal Year Ended June 30, 2021

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Plus Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2021
General Funds						
General Fund	$ -	$ 7,294,729.14	$ 7,294,729.14	$ -	$ 650,815.34	$ 650,815.34
Supplemental General	52,771.89	2,174,716.72	2,183,883.00	43,605.61	305,486.87	349,092.48
Special Purpose Funds						
At Risk 4 Year Old	-	30,000.00	30,000.00	-	3,431.68	3,431.68
At Risk K-12	-	741,579.03	741,579.03	-	116,799.26	116,799.26
Bilingual Education	-	65,666.00	65,666.00	-	13,698.67	13,698.67
Virtual	-	9,750.00	9,750.00	-	-	-
Capital Outlay	787,189.61	851,257.25	1,528,678.38	109,768.48	61,058.00	170,826.48
Driver Training	23,334.97	4,256.00	5,538.57	22,052.40	-	22,052.40
Food Service	75,894.14	462,887.43	462,790.69	75,990.88	34,880.63	110,871.51
Professional Development	59,433.74	49,348.00	40,568.07	68,213.67	50.00	68,263.67
Summer School	0.08	-	-	0.08	-	0.08
Special Education	345,956.68	1,505,955.74	1,505,650.03	346,262.39	4,267.04	350,529.43
Career & Postsecondary Ed	-	354,690.40	354,690.40	-	23,335.24	23,335.24
KPERS Retirement	-	793,002.08	793,002.08	-	-	-
Contingency Reserve	300,000.00	-	-	300,000.00	-	300,000.00
Textbook Rental	92,406.29	58,901.52	19,655.77	131,652.04	6,506.77	138,158.81
Title I	-	139,167.00	139,167.00	-	23,841.89	23,841.89
Title II	-	19,029.00	19,029.00	-	3,611.68	3,611.68
ESSER	-	-	192,097.88	(192,097.88)	9,492.65	(182,605.23)
CARES	-	100,659.00	100,659.00	-	-	-
Recreation	5,561.48	70,273.53	72,000.00	3,835.01	-	3,835.01
Gate Receipts	17,810.26	35,834.15	44,710.31	8,934.10	-	8,934.10
Bond and Interest Fund						
Bond and Interest	941,881.23	497,411.49	387,805.67	1,051,487.05	-	1,051,487.05

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

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis
For the Fiscal Year Ended June 30, 2021

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Plus Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2021
Expendable Trusts						
Gifts and Grants	7,687.77	112,367.40	116,318.52	3,736.65	15,590.46	19,327.11
FEMA Grant	-	877,395.73	877,395.73	-	-	-
SPARKS Grant	(99,672.27)	183,973.00	84,300.73	-	-	-
Scholarship	42,900.25	4,834.09	7,950.00	39,784.34	-	39,784.34
Grand Totals	$ 2,653,156.12	$ 16,437,683.70	$ 17,077,615.00	$ 2,013,224.82	$ 1,272,866.18	$ 3,286,091.00

Composition of Cash	
General Checking NOW Account	$ 2,236,200.93
Petty Cash Checking Account	500.00
Certificates of Deposit - District	1,000,000.00
Scholarship Savings	6,233.15
Scholarship Certificates of Deposit	33,551.19
School Activity Funds:	
Grade School NOW Checking Account	7,093.56
Junior High School, NOW Checking Account	17,734.24
High School, NOW Checking Account	74,350.66
Total Cash	3,375,663.73
Agency Funds - Schedule 3	(89,572.73)
Total Reporting Entity (Excluding Agency Funds)	$ 3,286,091.00

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

Basis of Presentation - Fund Accounting

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

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

- General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.
- Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.
- Bond and Interest Funds –used to account for the accumulation of resources, including tax levies and transfers from other funds to be used for the payment of general long-term debt.

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

- Trust Funds – funds used to report assets held by the District for the benefit of the reporting entity.

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

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

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

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

Budgetary Information

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

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

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 this year. The District decreased the General and Supplemental General Fund budgets to the legal maximum budgets in accordance with Kansas Statutes.

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

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. Regulatory required supplemental information includes budget comparison schedules for each budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

A legal operating budget is not required for Trust funds and the following special revenue funds:

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

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

Deposits and Investments

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

Compensated Absences

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

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

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

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

At June 30, 2021, there is a liability for unused sick pay totaling $98,175 for employees eligible to retire in accordance with the terms listed above but have not retired. There is a potential liability of $96,075 for unused sick pay for all other employees of the district.

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

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

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The financial statement and regulatory-required supplemental information is prepared in order to show compliance with the cash basis and budget laws of Kansas. The District was in apparent compliance with the cash basis and budget laws of Kansas. The negative unencumbered cash balance as shown on Statement 1 is not actually a cash basis violation due to grant money receivable at June 30, 2021.

3. DEPOSITS AND INVESTMENTS

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

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

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

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

At June 30, 2021 the District's carrying amount of deposits was $3,375,663.73 and the bank balance was $2,863,823.72. The bank balance was primarily held by one bank resulting in a concentration of credit risk. Of the bank balance, $257,628.56 was covered by federal depository insurance, and the remaining $2,606,195.16 was collateralized with securities totaling $3,195,064.24 held by the pledging financial institutions' agents in the District's name.

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $536,747 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 fiscal year ended June 30, 2021.

5. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.15 % and 14.41% respectively, for the fiscal year ended June 30, 2019. The actuarially determined employer 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 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 2020. 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.

5. DEFINED BENEFIT PENSION PLAN (Continued)

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $793,002.08 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 $7,664,933 and the total net pension liability was $10,473,565.068. 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 publicly available on the website at www.kpers.org or can be obtained as described above.

6. CONTINGENCIES

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

7. RISK MANAGEMENT

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

8. INTERFUND TRANSFERS

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

8. INTERFUND TRANSFERS (Continued)

FROM	TO	STATUTORY AUTHORITY	AMOUNT
General	At Risk Four Year Old	K.S.A. 72-6428	$ 30,000.00
General	At Risk K-12	K.S.A. 72-6428	521,579.03
General	Bilingual Education	K.S.A. 72-6428	57,666.00
General	Virtual	K.S.A. 72-6428	9,750.00
General	Food Service	K.S.A. 72-6428	3,000.00
General	Professional Development	K.S.A. 72-6428	40,000.00
General	Special Education	K.S.A. 72-6428	1,473,143.58
General	Career & Postsecondary Education	K.S.A. 72-6428	354,690.40
Supplemental General	At Risk K-12	K.S.A. 72-6433	220,000.00
Supplemental General	Bilingual Education	K.S.A. 72-6433	8,000.00

9. CAPITAL PROJECTS

The district has received a FEMA grant to build storm shelters at two of the school buildings. Sources and uses of funds as well as expenditures to date are as follows:

Sources:	
FEMA Grant	$ 1,780,000
Local Share	1,847,246
	$ 3,627,246
Uses:	
Capital Project	$ 3,627,246
Actual Expenses through 06/30/21	$ 3,627,246

10. SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring subsequent to June 30, 2021 through November 1, 2021, the date of the financial statement. During this period, there were no subsequent events requiring recognition in the financial statement or disclosure in the notes to the financial statement.

11. LONG TERM OBLIGATIONS

In April 2020 the District issued Series 2020 Refunding Bonds to refund a portion of the Series 2011 bonds outstanding at the time. Proceeds from the new bonds less bond issue costs were placed in an Escrow trust account to pay off the Series 2011 bonds totaling $2,140,000 that are scheduled to mature on September 1, 2024 and 2027 through 2030. The proceeds from the new bonds should be sufficient to pay the interest on the bonds through September 1, 2024 at which time the principal on the bonds will be called early and paid off as well. It is anticipated that once the refunded series 2011 bonds are paid off, the District will be able to switch the new Series 2020 bonds from a taxable bond issue to a non-taxable bond issue, which will result in a lowered interest rate from 1.73% to an anticipated rate of 1.37%.

11. LONG TERM OBLIGATIONS (Continued)

In December 2020, the District signed a lease purchase agreement for $400,000 dated 12/21/2020, requiring semi-annual debt service payments of $68,604 including interest at 1.65%, with final payment due 12/21/2023. The proceeds were used in connection with eh FEMA grant project discussed in Note 9.

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

Details about the District's long-term obligations, changes in long term debt, and current maturities for the next five years and thereafter are recorded on the following two pages:

Changes in Long Term Obligations

Issue	Interest Rates	Date of Issue	Date of Final Maturity	Amount of Issue	Balances Beginning of Year	Additions/ New Debt	Reductions/ Principal Paid	Balances End of Year	Interest Paid
General Obligation Bonds									
General Obligation School Building Bonds									
Refunding Bonds - Series 2011	2.0-5.5%	12/28/2011	9/1/2030	$5,645,000	$ 1,965,000	$ -	$ 275,000	$ 1,690,000	$ 54,825
Refunding Bonds - Series 2020	1.73-1.37%	4/30/2020	9/1/2024	$2,294,000	2,295,000	-	25,000	2,270,000	32,981
Total General Obligation Bonds					4,260,000	-	300,000	3,960,000	87,806
Lease Purchase Agreements									
2020 FEMA Project	1.65%	12/21/2020	12/21/2023	$400,000	-	400,000	65,304	334,696	3,300
Totals					$ 4,260,000	$ 400,000	$ 365,304	$ 4,294,696	$ 91,106

Statement of Maturities of Long Term Obligations

Issue	2022	2023	2024	2025	2026	2027 2031	Totals
Principal							
General Obligation Bonds							
Refunding Bonds-Series 2011	$ 295,000	$ 310,000	$ 330,000	$ -	$ 365,000	$ 390,000	$ 1,690,000
Refunding Bonds-Series 2020	475,000	485,000	480,000	830,000	-	-	2,270,000
Total General Obligation Bonds	770,000	795,000	810,000	830,000	365,000	390,000	3,960,000
Lease Purchase Agreements							
2020 FEMA Project	132,229	134,419	68,048	-	-	-	334,696
Total Lease Purchase Agreements	132,229	134,419	68,048	-	-	-	334,696
Total Principal	$ 902,229	$ 929,419	$ 878,048	$ 830,000	$ 365,000	$ 390,000	$ 4,294,696
Interest							
Refunding Bonds-Series 2011	$ 46,275	$ 37,200	$ 27,600	$ 22,650	$ 22,650	$ 5,850	$ 162,225
Refunding Bonds-Series 2020	35,162	26,858	18,511	7,180	-	-	87,711
Total General Obligation Bonds	81,437	64,058	46,111	29,830	22,650	5,850	249,936
Lease Purchase Agreements							
2020 FEMA Project	4,979	2,789	561	-	-	-	8,329
Total Lease Purchase Agreements	4,979	2,789	561	-	-	-	8,329
Total Interest	$ 86,417	$ 66,847	$ 46,672	$ 29,830	$ 22,650	$ 5,850	$ 258,265

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

REGULATORY REQUIRED SUPPLEMENTAL INFORMATION

For the Fiscal Year Ended June 30, 2021

Schedule 1

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

Summary of Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021

Funds	Certified Budget	Adjustment to Comply with Legal Maximum	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund						
General Fund	$ 7,485,440.00	$ (249,110.00)	$ 58,399.14	$ 7,294,729.14	$ 7,294,729.14	$ -
Supplemental General	2,256,860.00	(72,977.00)	-	2,183,883.00	2,183,883.00	-
Special Purpose Funds						
At Risk 4 Year Old	30,000.00	-	-	30,000.00	30,000.00	-
At Risk K-12	820,000.00	-	-	820,000.00	741,579.03	(78,420.97)
Bilingual Education	98,000.00	-	-	98,000.00	65,666.00	(32,334.00)
Virtual	30,000.00	-	-	30,000.00	9,750.00	(20,250.00)
Capital Outlay	1,113,000.00	-	400,000.00	1,513,000.00	1,528,678.38	15,678.38
Driver Training	8,000.00	-	-	8,000.00	5,538.57	(2,461.43)
Food Service	470,000.00	-	-	470,000.00	462,790.69	(7,209.31)
Professional Development	70,000.00	-	-	70,000.00	40,568.07	(29,431.93)
Summer School	-	-	-	-	-	-
Special Education	1,742,414.00	-	-	1,742,414.00	1,505,650.03	(236,763.97)
Career & Postsecondary Ed	395,000.00	-	-	395,000.00	354,690.40	(40,309.60)
KPERS Retirement	922,869.00	-	-	922,869.00	793,002.08	(129,866.92)
Recreation	72,000.00	-	-	72,000.00	72,000.00	-
Bond and Interest Fund						
Bond and Interest	388,805.00	-	-	388,805.00	387,805.67	(999.33)
	$ 15,902,388.00					

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Reimbursements	$ 22,250.47	$ 55,399.14	$ -	$ 55,399.14
State Sources				
Other State aid	5,196.00	1,000.00	-	1,000.00
General aid	6,195,973.00	6,255,394.00	6,425,295.00	(169,901.00)
Special Education aid	941,203.00	980,936.00	1,060,145.00	(79,209.00)
Federal Sources				
Other Federal Aid	730.00	2,000.00	-	2,000.00
Total Receipts	7,165,352.47	7,294,729.14	$ 7,485,440.00	$ (190,710.86)
Expenditures				
Instruction	2,000,713.42	2,163,946.08	2,282,735.00	$ (118,788.92)
Support Services				
Student Support	234,395.61	295,321.66	236,125.00	59,196.66
Instructional Support	288,115.80	238,346.61	308,932.00	(70,585.39)
General Administration	225,215.09	222,475.03	226,378.00	(3,902.97)
School Administration	454,013.33	431,521.19	419,835.00	11,686.19
Business Office	98,938.50	103,735.65	103,190.00	545.65
Operations and Maintenance	943,384.70	1,098,199.66	940,500.00	157,699.66
Transportation Services	326,959.58	251,354.25	157,245.00	94,109.25

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Operating Transfers to Other Funds				
At Risk 4 Year Old	$ 22,184.97	$ 30,000.00	$ 30,000.00	$ -
At Risk K - 12	525,632.34	521,579.03	600,000.00	(78,420.97)
Bilingual Education	60,000.00	57,666.00	90,000.00	(32,334.00)
Virtual	11,477.04	9,750.00	30,000.00	(20,250.00)
Capital Outlay	99,672.27	-	-	-
Food Service	41,008.48	3,000.00	35,000.00	(32,000.00)
Professional Development	46,000.00	40,000.00	50,000.00	(10,000.00)
Special Education	1,427,393.00	1,473,143.58	1,580,500.00	(107,356.42)
Career & Postsecondary Education	360,248.34	354,690.40	395,000.00	(40,309.60)
Contingency Reserve	-	-	-	-
Adjustment to Comply with Legal Maximum Budget	-	-	(249,110.00)	249,110.00
Legal General Fund Budget	7,165,352.47	7,294,729.14	7,236,330.00	
Adjustments to Budget for Qualifying Budget Credits				
Reimbursed Expenses	-	-	55,399.14	(55,399.14)
Non budgeted Fed & State Grants	-	-	3,000.00	(3,000.00)
Total Expenditures	7,165,352.47	7,294,729.14	$ 7,294,729.14	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SUPPLEMENTAL GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Ad valorem tax	$ 407,493.46	$ 381,143.11	$ 387,306.00	$ (6,162.89)
Delinquent tax	9,502.65	6,745.99	8,103.00	(1,357.01)
State Sources				
General aid	1,692,726.00	1,705,613.00	1,762,608.00	(56,995.00)
County Sources				
Motor vehicle tax	82,322.19	81,214.62	76,652.00	4,562.62
Operating Transfer from Other Funds				
Contingency Reserve	-	-	-	-
Total Receipts	2,192,044.30	2,174,716.72	$ 2,234,669.00	$ (59,952.28)
Expenditures				
Instruction	1,919,047.06	1,887,035.37	$ 1,964,494.00	$ (77,458.63)
Support Services				
Instructional Support	62,785.94	68,847.63	64,366.00	4,481.63
Operating Transfers to Other Funds				
At Risk K - 12	200,000.00	220,000.00	220,000.00	-
Bilingual Education	6,000.00	8,000.00	8,000.00	-
Adjustment to Comply with Legal Maximum Budget	-	-	(72,977.00)	72,977.00
Legal General Fund Budget	2,187,833.00	2,183,883.00	2,183,883.00	
Adjustments to Budget for Qualifying Budget Credits				
Reimbursed Expenses	-	-	-	-
Total Expenditures	2,187,833.00	2,183,883.00	$ 2,183,883.00	$ 0.00
Receipts Over (Under) Expenditures	4,211.30	(9,166.28)		
Unencumbered Cash, Beginning	48,560.59	52,771.89		
Unencumbered Cash, Ending	$ 52,771.89	$ 43,605.61		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
AT RISK 4 YEAR OLD FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Other	$ -	$ -	$ -	$ -
Operating Transfer from Other Funds				
General	22,184.97	30,000.00	30,000.00	-
Total Receipts	22,184.97	30,000.00	$ 30,000.00	$ -
Expenditures				
Instruction	10,920.06	25,862.23	$ 23,000.00	$ 2,862.23
Support Services	11,264.91	4,137.77	7,000.00	(2,862.23)
Total Expenditures	22,184.97	30,000.00	$ 30,000.00	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
AT RISK K - 12 FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from Other Funds				
General	$ 525,632.34	$ 521,579.03	$ 600,000.00	$ (78,420.97)
Supplemental General	200,000.00	220,000.00	220,000.00	-
Total Receipts	725,632.34	741,579.03	$ 820,000.00	$ (78,420.97)
Expenditures				
Instruction	700,457.07	717,325.17	$ 794,180.00	$ (76,854.83)
Support Services	25,175.27	24,253.86	25,820.00	(1,566.14)
Total Expenditures	725,632.34	741,579.03	$ 820,000.00	$ (78,420.97)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
BILINGUAL EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from Other Funds				
General	$ 60,000.00	$ 57,666.00	$ 90,000.00	$ (32,334.00)
Supplemental General	6,000.00	8,000.00	8,000.00	-
Total Receipts	66,000.00	65,666.00	$ 98,000.00	$ (32,334.00)
Expenditures				
Instruction	66,000.00	65,666.00	$ 98,000.00	$ (32,334.00)
Total Expenditures	66,000.00	65,666.00	$ 98,000.00	$ (32,334.00)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
VIRTUAL FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Transfer from Other Funds				
General	$ 11,477.04	$ 9,750.00	$ 30,000.00	$ (20,250.00)
Total Receipts	11,477.04	9,750.00	$ 30,000.00	$ (20,250.00)
Expenditures				
Instruction	11,477.04	9,750.00	$ 30,000.00	$ (20,250.00)
Total Expenditures	11,477.04	9,750.00	$ 30,000.00	$ (20,250.00)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CAPITAL OUTLAY FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Ad valorem tax	$ 187,561.76	$ 220,045.53	$ 215,371.00	$ 4,674.53
Delinquent tax	2,748.72	2,511.18	3,760.00	(1,248.82)
Interest on idle funds	27,498.79	13,663.63	10,000.00	3,663.63
Other	93.15	281.54	-	281.54
Proceeds from Lease Purchase	-	400,000.00	-	400,000.00
County Sources				
Motor vehicle tax	23,154.78	34,141.37	32,242.00	1,899.37
State Sources				
State aid	144,450.00	180,614.00	180,614.00	-
Operating Transfer from Other Funds				
General	99,672.27	-	-	-
Total Receipts	485,179.47	851,257.25	$ 441,987.00	$ 409,270.25
Expenditures				
Instruction	-	-	$ -	$ -
Facility Acquisition and Construction Services	859,445.24	1,460,074.47	1,113,000.00	347,074.47
Debt Service				
Lease Purchase Agreement		68,603.91	-	68,603.91
Total Expenditures	859,445.24	1,528,678.38	1,113,000.00	415,678.38
Adjustments to Budget for Qualifying Budget Credits				
Lease Purchase Agreement	-	-	400,000.00	(400,000.00)
Total Expenditures	7,165,352.47	1,528,678.38	$ 1,513,000.00	$ 15,678.38
Receipts Over (Under) Expenditures	(374,265.77)	(677,421.13)		
Unencumbered Cash, Beginning	1,161,455.38	787,189.61		
Unencumbered Cash, Ending	$ 787,189.61	$ 109,768.48		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
DRIVER TRAINING FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Fees	$ 2,831.00	$ 2,828.00	$ 4,040.00	$ (1,212.00)
State Sources				
State aid	1,950.00	1,428.00	1,500.00	(72.00)
Total Receipts	4,781.00	4,256.00	$ 5,540.00	$ (1,284.00)
Expenditures				
Instruction	5,266.65	5,431.82	$ 7,500.00	$ (2,068.18)
Support Services	52.28	106.75	500.00	(393.25)
Total Expenditures	5,318.93	5,538.57	$ 8,000.00	$ (2,461.43)
Receipts Over (Under) Expenditures	(537.93)	(1,282.57)		
Unencumbered Cash, Beginning	23,872.90	23,334.97		
Unencumbered Cash, Ending	$ 23,334.97	$ 22,052.40		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
FOOD SERVICE FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Students Reimburseable	$ 113,736.28	$ 12,321.20	$ 147,400.00	$ (135,078.80)
Students & Adults Nonreimbu	4,216.30	4,005.15	13,968.00	(9,962.85)
Other	413.37	-	1,000.00	(1,000.00)
State Sources				
Food service aid	4,749.53	4,602.76	3,440.00	1,162.76
Federal Sources				
Child nutrition aid	279,269.80	438,958.32	246,600.00	192,358.32
Operating Transfer from Other Funds				
General Fund	41,008.48	3,000.00	35,000.00	(32,000.00)
Total Receipts	443,393.76	462,887.43	$ 447,408.00	$ 15,479.43
Expenditures				
Operation of Non instructional Services				
Food Service Operations	443,295.69	462,790.69	$ 470,000.00	$ (7,209.31)
Total Expenditures	443,295.69	462,790.69	$ 470,000.00	$ (7,209.31)
Receipts Over (Under) Expenditures	98.07	96.74		
Unencumbered Cash, Beginning	75,796.07	75,894.14		
Unencumbered Cash, Ending	$ 75,894.14	$ 75,990.88		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
PROFESSIONAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
State Sources				
State aid	$ 4,249.00	$ 9,348.00	$ 9,000.00	$ 348.00
Operating Transfer from Other Funds				
General Fund	46,000.00	40,000.00	50,000.00	(10,000.00)
Total Receipts	50,249.00	49,348.00	$ 59,000.00	$ (9,652.00)
Expenditures				
Support Services	50,413.86	40,568.07	$ 70,000.00	$ (29,431.93)
Total Expenditures	50,413.86	40,568.07	$ 70,000.00	$ (29,431.93)
Receipts Over (Under) Expenditures	(164.86)	8,779.93		
Unencumbered Cash, Beginning	59,598.60	59,433.74		
Unencumbered Cash, Ending	$ 59,433.74	$ 68,213.67		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SUMMER SCHOOL FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

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

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SPECIAL EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Other	$ 11,342.47	$ 16,648.16	$ 15,000.00	$ 1,648.16
Federal Sources				
ESSER	-	16,164.00	16,164.00	-
Operating Transfer from other Funds				
General	1,427,393.00	1,473,143.58	1,580,500.00	(107,356.42)
Total Receipts	1,438,735.47	1,505,955.74	$ 1,611,664.00	$ (105,708.26)
Expenditures				
Instruction	1,361,352.00	1,435,615.00	$ 1,646,164.00	$ (210,549.00)
Support Services				
Student Support	784.30	3,283.77	2,250.00	1,033.77
Transportation Services	69,333.30	66,751.26	94,000.00	(27,248.74)
Total Expenditures	1,431,469.60	1,505,650.03	$ 1,742,414.00	$ (236,763.97)
Receipts Over (Under) Expenditures	7,265.87	305.71		
Unencumbered Cash, Beginning	338,690.81	345,956.68		
Unencumbered Cash, Ending	$ 345,956.68	$ 346,262.39		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CAREER AND POSTSECONDARY EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Other	$ 2,180.00	$ -	$ -	$ -
Federal Sources				
Federal aid	-	-	-	-
Operating Transfer from Other Funds				
General Fund	360,248.34	354,690.40	395,000.00	(40,309.60)
Total Receipts	362,428.34	354,690.40	$ 395,000.00	$ (40,309.60)
Expenditures				
Instruction	362,428.34	354,690.40	$ 395,000.00	$ (40,309.60)
Support Services				
Transportation Services	-	-	-	-
Total Expenditures	362,428.34	354,690.40	$ 395,000.00	$ (40,309.60)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
KPERS RETIREMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
State Sources				
KPERS Contributions	$ 837,373.23	$ 793,002.08	$ 922,869.00	$ (129,866.92)
Total Receipts	837,373.23	793,002.08	$ 922,869.00	$ (129,866.92)
Expenditures				
Instruction	586,336.75	552,671.54	$ 653,869.00	$ (101,197.46)
Support Services				
Student Support	34,373.78	39,630.48	38,000.00	1,630.48
Instructional Support	32,532.97	29,302.63	35,000.00	(5,697.37)
General Administration	26,706.43	24,338.58	30,000.00	(5,661.42)
School Administration	57,630.37	52,350.83	60,000.00	(7,649.17)
Business Office	10,537.66	9,564.37	12,000.00	(2,435.63)
Operations and Maintenance	49,923.30	49,173.84	52,000.00	(2,826.16)
Transportation Services	18,584.92	14,774.82	20,000.00	(5,225.18)
Operation and Non instructional Services				
Food Service Operations	20,747.05	21,194.99	22,000.00	(805.01)
Total Expenditures	837,373.23	793,002.08	$ 922,869.00	$ (129,866.92)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CONTINGENCY RESERVE FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

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

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
TEXTBOOK RENTAL FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Fines	$ 2,421.50	$ 3,515.52
Textbook rental	54,569.80	55,386.00
Total Receipts	56,991.30	58,901.52
Expenditures		
Instruction	16,359.68	19,655.77
Total Expenditures	16,359.68	19,655.77
Receipts Over (Under) Expenditures	40,631.62	39,245.75
Unencumbered Cash, Beginning	51,774.67	92,406.29
Unencumbered Cash, Ending	$ 92,406.29	$ 131,652.04

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
TITLE I FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title I Aid	$ 121,129.00	$ 123,614.00
Title IVA Aid	14,994.00	15,553.00
Total Receipts	136,123.00	139,167.00
Expenditures		
Instruction	136,123.00	139,167.00
Total Expenditures	136,123.00	139,167.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
TITLE II FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title II Improving Teacher Quality	$ 17,668.00	$ 19,029.00
Total Receipts	17,668.00	19,029.00
Expenditures		
Instruction	17,668.00	19,029.00
Total Expenditures	17,668.00	19,029.00
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
ESSER FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
ESSER Grant	$ -	$ -
Total Receipts	-	-
Expenditures		
Instruction	-	192,097.88
Total Expenditures	-	192,097.88
Receipts Over (Under) Expenditures	-	(192,097.88)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (192,097.88)

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
CARES FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

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

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Ad valorem tax	$ 57,597.56	$ 58,225.08	$ 56,794.00	$ 1,431.08
Delinquent tax	1,161.57	879.78	1,148.00	(268.22)
County Sources				
Motor vehicle tax	10,187.68	11,168.67	10,541.00	627.67
Total Receipts	68,946.81	70,273.53	$ 68,483.00	$ 1,790.53
Expenditures				
Community Service Operations	66,500.00	72,000.00	$ 72,000.00	$ -
Total Expenditures	66,500.00	72,000.00	$ 72,000.00	$ -
Receipts Over (Under) Expenditures	2,446.81	(1,726.47)		
Unencumbered Cash, Beginning	3,114.67	5,561.48		
Unencumbered Cash, Ending	$ 5,561.48	$ 3,835.01		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Ad valorem tax	$ 159,558.25	$ 161,339.15	$ 157,305.00	$ 4,034.15
Delinquent tax	3,285.66	2,488.08	3,181.00	(692.92)
Other	-	128.65	-	128.65
County Sources				
Motor vehicle tax	28,253.48	30,967.61	29,230.00	1,737.61
State Sources				
State aid	308,750.00	302,488.00	302,488.00	-
Total Receipts	499,847.39	497,411.49	$ 492,204.00	$ 5,207.49
Expenditures				
Debt Service				
Principal	265,000.00	300,000.00	$ 300,000.00	$ -
Interest	135,973.76	87,805.67	87,805.00	0.67
Other	-	-	1,000.00	(1,000.00)
Total Expenditures	400,973.76	387,805.67	$ 388,805.00	$ (999.33)
Receipts Over (Under) Expenditures	98,873.63	109,605.82		
Unencumbered Cash, Beginning	843,007.60	941,881.23		
Unencumbered Cash, Ending	$ 941,881.23	$ 1,051,487.05		

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
GIFTS AND GRANTS FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Other	$ 135,145.00	$ 112,367.40
State Sources		
State aid	15,000.00	-
Federal Sources		
Other Federal Aid	-	-
Total Receipts	150,145.00	112,367.40
Expenditures		
Instruction	135,477.22	116,318.52
Support Services	11,932.19	-
Construction Services	-	-
Total Expenditures	147,409.41	116,318.52
Receipts Over (Under) Expenditures	2,735.59	(3,951.12)
Unencumbered Cash, Beginning	4,952.18	7,687.77
Unencumbered Cash, Ending	$ 7,687.77	$ 3,736.65

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
FEMA GRANT FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Other Federal Aid	902,316.24	877,395.73
Total Receipts	902,316.24	877,395.73
Expenditures		
Instruction	-	-
Construction Services	902,316.24	877,395.73
Total Expenditures	902,316.24	877,395.73
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SPARKS GRANT FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Other Federal Aid	$ -	$ 183,973.00
Total Receipts	-	183,973.00
Expenditures		
Instruction	78,960.00	84,300.73
Support Services	20,712.27	-
Total Expenditures	99,672.27	84,300.73
Receipts Over (Under) Expenditures	(99,672.27)	99,672.27
Unencumbered Cash, Beginning	-	(99,672.27)
Unencumbered Cash, Ending	$ (99,672.27)	$ -

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
SCHOLARSHIP FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Fiscal Year Ended June 30, 2021
With Comparative Actual for the Fiscal Year Ended June 30, 2020

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Interest earned	$ 496.78	$ 134.09
Other	5,750.00	4,700.00
Total Receipts	6,246.78	4,834.09
Expenditures		
School Activities		
Scholarships	5,670.96	7,950.00
Total Expenditures	5,670.96	7,950.00
Receipts Over (Under) Expenditures	575.82	(3,115.91)
Unencumbered Cash, Beginning	42,324.43	42,900.25
Unencumbered Cash, Ending	$ 42,900.25	$ 39,784.34

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
AGENCY FUNDS
Schedule of Receipts and Disbursements - Regulatory Basis
For the Fiscal Year Ended June 30, 2021

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Agency Funds				
Student Organizations				
High School	$ 90,013.48	$ 107,154.57	$ 126,258.72	$ 70,909.33
Junior High School	8,862.47	5,102.82	2,395.45	11,569.84
Grade School	8,176.63	712.00	1,795.07	7,093.56
Total Agency Funds	$ 107,052.58	$ 112,969.39	$ 130,449.24	$ 89,572.73

Schedule 4

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
DISTRICT ACTIVITY FUNDS

Schedule of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis
For the Fiscal Year Ended June 30, 2021

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance June 30, 2021
Gate Receipts						
High School	$ 9,621.34	$ 27,860.60	$ 34,668.73	$ 2,813.21	$ -	$ 2,813.21
Junior High School	8,188.92	7,973.55	10,041.58	6,120.89	-	6,120.89
Total Gate Receipts	17,810.26	35,834.15	44,710.31	8,934.10	-	8,934.10
Totals	$ 17,810.26	$ 35,834.15	$ 44,710.31	$ 8,934.10	$ -	$ 8,934.10

UNIFIED SCHOOL DISTRICT #249

FEDERAL COMPLIANCE SECTION

For the Fiscal Year Ended June 30, 2021

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AMOUNT RECEIVED		AMOUNT EXPENDED
U.S. Department of Agriculture				
Passed Through the State of Kansas Department of Education				
National School Lunch-Coronavirus	10.555	$ 58,827.28	(a)	$ 58,827.28
School Food Service-Coronavirus	10.559	380,131.04	(a)	380,131.04
		438,958.32		438,958.32
U.S. Department of Education				
Passed Through the State of Kansas Department of Education				
Title I	84.010	123,614.00		123,614.00
Title II Improving Teacher Quality Program	84.367	21,029.00		21,029.00
Academic Enrichment Flow Thru Grant	84.424	15,553.00		15,553.00
Element & Secondary School Emerg Relief	84.425	116,823.00		308,920.88
		277,019.00		469,116.88
U.S. Department of Homeland Security				
Direct Grant				
Hazard Mitigation Grant Program	97.039	877,395.73		877,395.73
U.S. Department of Treasury				
Passed Through Crawford County, Kansas				
SPARK Grant	21.019	183,973.00		84,300.73
TOTALS		$ 1,777,346.05		$ 1,869,771.66

Notes to the Schedule of Expenditures of Federal Awards:
Expenses in this schedule are presented in accordance with Generally Accepted Accounting Principles, and include amounts paid as well as accounts payable for goods or services received.
Expenses for the Child Nutrition Cluster: marked as (a) above: (a) $ 438,958.32
There were no subrecipients from the District.
Pass thru entities did not assign a specific identifying number.
The District did not use the 10% de minimus rate for indirect costs.

Diehl
Banwart
Bolton
Certified Public Accountants PA

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

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

Report on Compliance for Each Major Federal Program
We have audited the Unified School District #249's (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 the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditors' Responsibilities
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 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 the District 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.

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

November 1, 2021
Fort Scott, Kansas

Diehl
Banwart
Bolton
Certified Public Accountants PA

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Unified School District #249 as of the year ended June 30, 2021, and have issued our report thereon dated November 1, 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

October 29, 2021
Fort Scott, Kansas

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

SECTION I: SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:

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

Internal control over financial reporting:

- Material weakness identified? ___ Yes _X_ No
- Significant deficiency identified? ___ Yes _X_ None reported
- Noncompliance material to financial statements noted? ___ Yes _X_ No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness identified? ___ Yes _X_ No
- Significant deficiency identified? ___ Yes _X_ None reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of the Uniform Guidance? ___ Yes _X_ No

Identification of major programs:

CFDA Numbers	Name of Federal Program
97.039	Hazard Mitigation Grant

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? ___ Yes _X_ No

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

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

UNIFIED SCHOOL DISTRICT #249
FRONTENAC, KANSAS

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

No audit findings relative to the federal award programs.