

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AUGUSTA, KANSAS**

**FINANCIAL STATEMENT
JUNE 30, 2021**



AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
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INDEPENDENT AUDITORS' REPORT

**Board of Education
Augusta Unified School District No. 402
Augusta, Kansas**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Augusta Unified School District No. 402, Augusta, Kansas**, as of and for the year ended **June 30, 2021**, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Board of Education
Augusta Unified School District No. 402

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

As described in Note 1 of the financial statement, the financial statement is prepared by **Augusta Unified School District No. 402, Augusta, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

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

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Augusta Unified School District No. 402, Augusta, Kansas**, as of **June 30, 2021**, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Augusta Unified School District No. 402, Augusta, Kansas**, as of **June 30, 2021**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, agency funds schedules of regulatory basis cash receipts and disbursements and district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

**Board of Education
Augusta Unified School District No. 402**

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

The 2020 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2020 basic financial statement upon which we rendered an unmodified opinion dated January 5, 2021. 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://da.ks.gov/ar/muniserv/>. 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2021, on our consideration of **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over financial reporting and compliance.

BFR CPA, LLC

BFR CPA, LLC
October 29, 2021

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 0	\$ 0	\$ 13,806,449	\$ 13,806,449	\$ 0	\$ 200,172	\$ 200,172
Special Purpose Funds							
Supplemental General	148,058	0	4,578,743	4,578,434	148,367	47,729	196,096
Preschool-Aged At-Risk	0	0	68,101	68,101	0	0	0
At Risk (K-12)	0	0	1,339,963	1,339,963	0	62,930	62,930
Bilingual Education	0	0	18,230	18,230	0	0	0
Virtual Education	0	0	27,000	27,000	0	0	0
Capital Outlay	3,850,936	16,565	1,629,853	1,589,105	3,908,249	609,085	4,517,334
Driver Training	129,878	0	36,700	45,213	121,365	4,000	125,365
Food Service	279,015	0	1,064,653	936,657	407,011	0	407,011
Professional Development	71,245	0	25,277	43,260	53,262	3,337	56,599
Special Education	675,000	0	2,574,580	2,570,543	679,037	0	679,037
Career and Postsecondary Education	7,358	0	457,995	457,847	7,506	3,402	10,908
KPERS Contribution	0	0	1,638,066	1,638,066	0	0	0
Federal Funds	(4,018)	0	796,957	1,154,186	(361,247)	85,478	(275,769)
Gifts and Grants	55,212	0	168,947	170,167	53,992	6,897	60,889
Contingency Reserve	556,967	0	534,830	0	1,091,797	0	1,091,797
Textbook & Student Material Revolving	647,342	4,002	251,216	527,614	374,946	323,289	698,235
District Activity Funds	33,463	0	80,821	70,913	43,371	0	43,371
Debt Service Funds							
Bond and Interest	7,409,948	0	5,392,711	4,834,962	7,967,697	0	7,967,697
Special Assessment	2,645	0	2	0	2,647	0	2,647
	<u>\$ 13,863,049</u>	<u>\$ 20,567</u>	<u>\$ 34,491,094</u>	<u>\$ 33,876,710</u>	<u>\$ 14,498,000</u>	<u>\$ 1,346,319</u>	<u>\$ 15,844,319</u>

Composition of Cash:

Checking Accounts	\$ 1,463,208
Certificates of Deposit	8,734,696
Investments	<u>5,862,556</u>
	16,060,460
Agency Funds	<u>(216,141)</u>
	<u>\$ 15,844,319</u>

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

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Augusta Unified School District No. 402 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Augusta, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

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

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

Debt Service Fund-To account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

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

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

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

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

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

Budget and Tax Cycle

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. There was one budget amendment for the year ended June 30, 2021.

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

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

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

Federal Funds
Contingency Reserve Fund
District Activity Funds

Gifts and Grants Fund
Textbook & Student Material Revolving Fund

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

Note 2 - In Substance Receipt in Transit:

The District received \$1,017,246 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.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

Note 3 - Defined Benefit Pension Plan:

Plan description

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

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.15% 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 for House Bill 2002 authorized the delay of \$194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of \$19.4 million starting in fiscal year 2020.

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

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$1,638,066 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 \$17,270,849. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2020. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 4 - Deposits and Investments:

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

Investment Type	Fair Value	Rating U.S.
Kansas Municipal Investment Pool	\$ 5,840,013	N/A
Memorial & Scholarships-Mutual Funds	22,543	N/A
Total Fair Value	<u>\$ 5,862,556</u>	

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

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

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

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. The District's allocation of investments as of June 30, 2021, is as follows:

Investment Type	Percentage of Investments
Kansas Municipal Investment Pool	99%
Memorial & Scholarships-Mutual Funds	1%

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2021.

At June 30, 2021, the District's carrying amount of deposits was \$10,197,904 and the bank balance was \$11,108,386. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$507,746 was covered by federal depository insurance and the remaining \$10,600,640 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2021, the District had invested \$5,840,013 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Note 5 - Compensated Absences:

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

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

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

Note 6 - Postemployment Benefits:

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

The District has adopted an early retirement program. Under the program, a full-time employee must be at least 57 years of age with 15 or more years with the District and 20 or more years of service credit recognized by the Kansas Public Employees Retirement System (KPERS). Benefits under the plan are calculated by the number of years of service credit recognized by KPERS plus the number of years the employee was denied participation in KPERS due to part-time employment for such employee multiplied by the largest base salary received during any one of the five years immediately preceding planned retirement, multiplied by, a factor of 0.005. These benefits terminate at the end of the month in which the employee reaches the age of eligibility for being able to retire on a full social security benefit at normal social security retirement age or at death, if sooner.

It is the policy of the District to record these benefits as expenditures when paid. Total expenditures under the program for the year ended June 30, 2021, was \$148,594 for fourteen former employees.

Note 7 - Interfund Transactions:

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

Transfer from:	Transfer to:										Total
	Preschool- Aged At-Risk	At Risk (K-12)	Bilingual Education	Virtual Education	Capital Outlay	Professional Development	Special Education	Career and Postsecondary Education	Contingency Reserve	Textbook & Student Material Revolving	
General Fund	\$ 68,101	\$ 904,096	\$ 12,736	\$ 27,000	\$ 35,542	\$ 14,600	\$ 2,544,187	\$ 453,495	\$ 534,830	\$ 95,000	\$ 4,689,587
Supplemental	0	435,867	5,494	0	0	0	0	0	0	0	441,361
General Fund	\$ 68,101	\$ 1,339,963	\$ 18,230	\$ 27,000	\$ 35,542	\$ 14,600	\$ 2,544,187	\$ 453,495	\$ 534,830	\$ 95,000	\$ 5,130,948

Note 8 - Reimbursed Expenditures:

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

Note 9 - Subsequent Events:

The District has evaluated subsequent events through October 29, 2021, the date which the financial statement was available to be issued.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

Note 10 - Contingencies:

Grant Programs

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

Risk Management

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

Note 11 - Advance Refunding of Bond Obligation:

On November 1, 2019, the District issued \$9,735,000 of General Obligation Bonds with interest rates ranging from 2.050% to 2.625%. Of the issue \$9,573,130 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on \$8,795,000 of principal amount of the 2012 Series Bonds until the redemption date of September 1, 2021, and \$490,000 of principal amount of the 2013 Series Bonds until the redemption date of September 1, 2024, at which time the bonds will be retired.

Note 12 - Long-Term Debt:

Principal payments are due annually for general obligation bonds. Interest payments are due semi-annually.

Principal and interest payments are due annually on the capital lease.

Terms for long-term liabilities for the District for the year ended June 30, 2020, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2012 Series	2.00 - 3.00	12/27/12	\$ 9,570,000	9/1/32
2013 Series	1.50 - 4.00	4/1/13	\$ 8,965,000	9/1/31
2014 Series	2.00 - 3.00	7/15/14	\$ 4,050,000	9/1/25
2015 Series	4.00	1/14/15	\$ 8,620,000	9/1/28
2016 Series	3.00 - 4.00	1/6/16	\$ 8,615,000	9/1/30
2017 Series	3.00 - 4.00	1/5/17	\$ 6,500,000	9/1/30
2019 Series	2.05 - 2.625	11/1/19	\$ 9,735,000	9/1/28
Capital Lease				
Field Lighting System	2.39	10/15/18	\$ 190,000	11/19/21

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2021

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

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2012 Series	\$ 675,000	\$ 0	\$ 100,000	\$ 575,000	\$ 12,806
2013 Series	8,415,000	0	60,000	8,355,000	295,262
2014 Series	4,000,000	0	50,000	3,950,000	118,850
2015 Series	8,620,000	0	0	8,620,000	344,800
2016 Series	8,290,000	0	1,845,000	6,445,000	259,625
2017 Series	4,525,000	0	550,000	3,975,000	137,950
2019 Series	9,735,000	0	845,000	8,890,000	215,669
	<u>44,260,000</u>	<u>0</u>	<u>3,450,000</u>	<u>40,810,000</u>	<u>1,384,962</u>
Capital Lease					
Field Lighting System	129,147	0	63,300	65,847	5,195
	<u>\$ 44,389,147</u>	<u>\$ 0</u>	<u>\$ 3,513,300</u>	<u>\$ 40,875,847</u>	<u>\$ 1,390,157</u>

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

	Principal			Interest			Total
	General Obligation Bonds	Capital Leases	Total Principal	General Obligation Bonds	Capital Leases	Total Interest	Principal and Interest
2022	\$ 3,710,000	\$ 65,847	\$ 3,775,847	\$ 1,288,189	\$ 2,648	\$ 1,290,837	\$ 5,066,684
2023	3,840,000	0	3,840,000	1,180,764	0	1,180,764	5,020,764
2024	3,970,000	0	3,970,000	1,065,261	0	1,065,261	5,035,261
2025	4,090,000	0	4,090,000	939,064	0	939,064	5,029,064
2026	4,265,000	0	4,265,000	811,213	0	811,213	5,076,213
2027 - 2031	20,935,000	0	20,935,000	1,909,990	0	1,909,990	22,844,990
	<u>\$ 40,810,000</u>	<u>\$ 65,847</u>	<u>\$ 40,875,847</u>	<u>\$ 7,194,481</u>	<u>\$ 2,648</u>	<u>\$ 7,197,129</u>	<u>\$ 48,072,976</u>

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

Fund	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	\$ 14,025,839	\$ (219,390)	\$ 0	\$ 13,806,449	\$ 13,806,449	\$ 0
Special Purpose Funds						
Supplemental General	4,657,611	(79,177)	0	4,578,434	4,578,434	0
Preschool-Aged At-Risk	85,000	0	0	85,000	68,101	(16,899)
At Risk (K-12)	1,456,960	0	0	1,456,960	1,339,963	(116,997)
Bilingual Education	24,000	0	0	24,000	18,230	(5,770)
Virtual Education	30,000	0	0	30,000	27,000	(3,000)
Capital Outlay	2,000,000	0	0	2,000,000	1,589,105	(410,895)
Driver Training	77,530	0	0	77,530	45,213	(32,317)
Food Service	970,296	0	0	970,296	936,657	(33,639)
Professional Development	80,342	0	0	80,342	43,260	(37,082)
Special Education	2,681,981	0	0	2,681,981	2,570,543	(111,438)
Career and Postsecondary Education	634,998	0	0	634,998	457,847	(177,151)
KPERs Contribution	1,922,928	0	0	1,922,928	1,638,066	(284,862)
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	1,154,186	XXXXXXXXXX
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	170,167	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Textbook & Student Material Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	527,614	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	70,913	XXXXXXXXXX
Debt Service Funds						
Bond and Interest	4,835,462	0	0	4,835,462	4,834,962	(500)
Special Assessment	2,645	0	0	2,645	0	(2,645)
	<u>\$ 33,485,592</u>	<u>\$ (298,567)</u>	<u>\$ 0</u>	<u>\$ 33,187,025</u>	<u>\$ 33,876,710</u>	<u>\$ (1,233,195)</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 5,118	\$ 0	\$ 0	\$ 0
State Sources	13,669,639	13,806,449	14,025,839	(219,390)
	<u>13,674,757</u>	<u>13,806,449</u>	<u>\$14,025,839</u>	<u>\$ (219,390)</u>
Expenditures				
Instruction	4,054,344	4,024,317	\$ 4,137,497	\$ (113,180)
Student Support Services	606,574	568,260	625,529	(57,269)
Instructional Support Staff	461,925	426,716	503,142	(76,426)
General Administration	624,945	605,147	639,745	(34,598)
School Administration	1,214,311	1,215,749	1,234,537	(18,788)
Central Services	343,174	308,169	341,293	(33,124)
Operations & Maintenance	1,657,015	1,643,464	1,732,236	(88,772)
Student Transportation Services	351,333	313,628	361,926	(48,298)
Other Supplemental Services	16,273	11,412	17,600	(6,188)
Transfers	4,345,119	4,689,587	4,432,334	257,253
Adjustment to Comply with Legal Max	0	0	(219,390)	219,390
	<u>13,675,013</u>	<u>13,806,449</u>	<u>\$13,806,449</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(256)	0		
Unencumbered Cash, Beginning	256	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Supplemental General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 1,387,797	\$ 1,334,680	\$ 1,224,085	\$ 110,595
County Sources	186,129	200,778	189,554	11,224
State Sources	<u>3,063,872</u>	<u>3,043,285</u>	<u>3,095,914</u>	<u>(52,629)</u>
	<u>4,637,798</u>	<u>4,578,743</u>	<u>\$ 4,509,553</u>	<u>\$ 69,190</u>
Expenditures				
Instruction	3,748,449	3,793,189	\$ 3,852,162	\$ (58,973)
Instructional Support Staff	1,861	3,450	0	3,450
Central Services	290,081	281,108	274,947	6,161
Operations & Maintenance	44,217	59,326	60,000	(674)
Transfers	528,962	441,361	470,502	(29,141)
Adjustment to Comply with Legal Max	<u>0</u>	<u>0</u>	<u>(79,177)</u>	<u>79,177</u>
	<u>4,613,570</u>	<u>4,578,434</u>	<u>\$ 4,578,434</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	24,228	309		
Unencumbered Cash, Beginning	123,830	148,058		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 148,058</u>	<u>\$ 148,367</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Preschool-Aged At-Risk Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	\$ 0	\$ 5,000	\$ (5,000)
Transfers	59,886	68,101	80,000	(11,899)
	<u>59,886</u>	<u>68,101</u>	<u>\$ 85,000</u>	<u>\$ (16,899)</u>
Expenditures				
Instruction	58,843	67,549	\$ 83,024	\$ (15,475)
Other Supplemental Services	1,043	552	1,976	(1,424)
	<u>59,886</u>	<u>68,101</u>	<u>\$ 85,000</u>	<u>\$ (16,899)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>At Risk (K-12) Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	\$ 0	\$ 20,009	\$ (20,009)
Transfers	1,395,122	1,339,963	1,436,951	(96,988)
	<u>1,395,122</u>	<u>1,339,963</u>	<u>\$ 1,456,960</u>	<u>\$ (116,997)</u>
Expenditures				
Instruction	1,382,794	1,323,438	\$ 1,443,709	\$ (120,271)
Student Support Services	12,328	16,443	13,251	3,192
Instructional Support Services	<u>0</u>	<u>82</u>	<u>0</u>	<u>82</u>
	<u>1,395,122</u>	<u>1,339,963</u>	<u>\$ 1,456,960</u>	<u>\$ (116,997)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Bilingual Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	\$ 0	\$ 7,342	\$ (7,342)
Transfers	17,526	18,230	16,658	1,572
	<u>17,526</u>	<u>18,230</u>	<u>\$ 24,000</u>	<u>\$ (5,770)</u>
Expenditures				
Instruction	17,526	18,230	\$ 24,000	\$ (5,770)
	<u>17,526</u>	<u>18,230</u>	<u>\$ 24,000</u>	<u>\$ (5,770)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Virtual Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 0	\$ 27,000	\$ 30,000	\$ (3,000)
	<u>0</u>	<u>27,000</u>	<u>\$ 30,000</u>	<u>\$ (3,000)</u>
Expenditures				
Instruction	0	27,000	\$ 30,000	\$ (3,000)
	<u>0</u>	<u>27,000</u>	<u>\$ 30,000</u>	<u>\$ (3,000)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Capital Outlay Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 955,272	\$ 990,373	\$ 858,500	\$ 131,873
County Sources	106,848	115,774	109,252	6,522
State Sources	496,829	488,164	492,555	(4,391)
Transfers	14,038	35,542	0	35,542
	<u>1,572,987</u>	<u>1,629,853</u>	<u>\$ 1,460,307</u>	<u>\$ 169,546</u>
Expenditures				
Instruction	133,366	84,625	\$ 232,000	\$ (147,375)
Student Support Services	0	0	20,000	(20,000)
Instructional Support Services	21,334	0	40,000	(40,000)
General Administration	1,113	80,065	10,000	70,065
School Administration	0	0	10,000	(10,000)
Central Services	2,622	0	30,000	(30,000)
Operations & Maintenance	431,193	367,948	558,372	(190,424)
Transportation	214,073	40,583	254,328	(213,745)
Other Support Services	0	0	150,000	(150,000)
Facility Acquisition & Construction Services	446,596	1,015,884	695,300	320,584
	<u>1,250,297</u>	<u>1,589,105</u>	<u>\$ 2,000,000</u>	<u>\$ (410,895)</u>
Receipts Over (Under) Expenditures	322,690	40,748		
Unencumbered Cash, Beginning	3,528,246	3,850,936		
Prior Year Canceled Encumbrances	<u>0</u>	<u>16,565</u>		
Unencumbered Cash, Ending	<u>\$ 3,850,936</u>	<u>\$ 3,908,249</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Driver Training Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 23,699	\$ 24,766	\$ 24,240	\$ 526
State Sources	14,690	11,934	9,375	2,559
	<u>38,389</u>	<u>36,700</u>	<u>\$ 33,615</u>	<u>\$ 3,085</u>
Expenditures				
Instruction	4,702	30,642	\$ 66,530	\$ (35,888)
Vehicle Operations, Maintenance Services	4,985	14,571	11,000	3,571
	<u>9,687</u>	<u>45,213</u>	<u>\$ 77,530</u>	<u>\$ (32,317)</u>
Receipts Over (Under) Expenditures	28,702	(8,513)		
Unencumbered Cash, Beginning	101,176	129,878		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 129,878</u>	<u>\$ 121,365</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Food Service Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 310,371	\$ 38,540	\$ 392,112	\$ (353,572)
State Sources	8,698	11,503	7,207	4,296
Federal Sources	549,460	1,014,610	511,031	503,579
	<u>868,529</u>	<u>1,064,653</u>	<u>\$ 910,350</u>	<u>\$ 154,303</u>
Expenditures				
Operations & Maintenance	1,328	856	\$ 1,367	\$ (511)
Food Service Operation	851,850	935,801	968,929	(33,128)
	<u>853,178</u>	<u>936,657</u>	<u>\$ 970,296</u>	<u>\$ (33,639)</u>
Receipts Over (Under) Expenditures	15,351	127,996		
Unencumbered Cash, Beginning	263,664	279,015		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 279,015</u>	<u>\$ 407,011</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Professional Development Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 2,063	\$ 2,000	\$ 0	\$ 2,000
State Sources	4,898	8,677	9,097	(420)
Transfers	40,000	14,600	0	14,600
	<u>46,961</u>	<u>25,277</u>	<u>\$ 9,097</u>	<u>\$ 16,180</u>
Expenditures				
Instructional Support Staff	54,067	43,202	\$ 79,341	\$ (36,139)
Central Services	144	58	1,001	(943)
	<u>54,211</u>	<u>43,260</u>	<u>\$ 80,342</u>	<u>\$ (37,082)</u>
Receipts Over (Under) Expenditures	(7,250)	(17,983)		
Unencumbered Cash, Beginning	78,495	71,245		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 71,245</u>	<u>\$ 53,262</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Special Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Federal Sources	\$ 0	\$ 30,393	\$ 30,393	\$ 0
Transfers	2,572,942	2,544,187	2,651,588	(107,401)
	<u>2,572,942</u>	<u>2,574,580</u>	<u>\$ 2,681,981</u>	<u>\$ (107,401)</u>
Expenditures				
Instruction	2,408,334	2,461,297	\$ 2,503,361	\$ (42,064)
Student Transportation Services	164,349	109,246	178,620	(69,374)
	<u>2,572,683</u>	<u>2,570,543</u>	<u>\$ 2,681,981</u>	<u>\$ (111,438)</u>
Receipts Over (Under) Expenditures	259	4,037		
Unencumbered Cash, Beginning	674,741	675,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 675,000</u>	<u>\$ 679,037</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

Career and Postsecondary Education Fund	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	\$ 0	\$ 20,000	\$ (20,000)
State Sources	19,052	0	0	0
Federal Sources	25,248	4,500	0	4,500
Transfers	587,601	453,495	607,639	(154,144)
	<u>631,901</u>	<u>457,995</u>	<u>\$ 627,639</u>	<u>\$ (169,644)</u>
Expenditures				
Instruction	577,444	445,480	\$ 584,998	\$ (139,518)
Instructional Support Staff	33,769	9,368	10,000	(632)
School Administration	0	2,999	0	2,999
Student Transportation Services	19,052	0	40,000	(40,000)
	<u>630,265</u>	<u>457,847</u>	<u>\$ 634,998</u>	<u>\$ (177,151)</u>
Receipts Over (Under) Expenditures	1,636	148		
Unencumbered Cash, Beginning	5,722	7,358		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 7,358</u>	<u>\$ 7,506</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>KPERS Contribution Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
State Sources	\$ 1,736,670	\$ 1,638,066	\$ 1,922,928	\$ (284,862)
	<u>1,736,670</u>	<u>1,638,066</u>	<u>\$ 1,922,928</u>	<u>\$ (284,862)</u>
Expenditures				
Instruction	1,160,493	1,091,505	\$ 1,279,895	\$ (188,390)
Student Support Services	79,481	84,272	103,207	(18,935)
Instructional Support Staff	64,488	55,051	61,969	(6,918)
General Administration	55,037	44,228	48,386	(4,158)
School Administration	136,162	132,853	157,989	(25,136)
Central Services	65,026	60,194	70,137	(9,943)
Operations & Maintenance	118,200	115,051	136,697	(21,646)
Student Transportation Services	50,595	48,620	57,487	(8,867)
Other Supplemental Services	2,868	2,118	2,216	(98)
Food Service Operation	4,320	4,174	4,945	(771)
	<u>1,736,670</u>	<u>1,638,066</u>	<u>\$ 1,922,928</u>	<u>\$ (284,862)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Bond and Interest Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 2,196,423	\$ 2,182,569	\$ 2,049,083	\$ 133,486
County Sources	286,016	309,165	291,794	17,371
State Sources	2,498,468	2,900,977	2,900,977	0
	<u>4,980,907</u>	<u>5,392,711</u>	<u>\$ 5,241,854</u>	<u>\$ 150,857</u>
Expenditures				
Debt Service	3,965,822	4,834,962	\$ 4,835,462	\$ (500)
	<u>3,965,822</u>	<u>4,834,962</u>	<u>\$ 4,835,462</u>	<u>\$ (500)</u>
Receipts Over (Under) Expenditures	1,015,085	557,749		
Unencumbered Cash, Beginning	6,394,863	7,409,948		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 7,409,948</u>	<u>\$ 7,967,697</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH 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)

<u>Special Assessment Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 3	\$ 2	\$ 0	\$ 2
	<u>3</u>	<u>2</u>	<u>0</u>	<u>2</u>
Expenditures				
Facilities Acquisition	0	0	\$ 2,645	\$ (2,645)
	<u>0</u>	<u>0</u>	<u>\$ 2,645</u>	<u>\$ (2,645)</u>
Receipts Over (Under) Expenditures	3	2		
Unencumbered Cash, Beginning	2,642	2,645		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 2,645</u>	<u>\$ 2,647</u>		

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

<u>Federal Funds</u>	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 389,036	\$ 796,957
	<u>389,036</u>	<u>796,957</u>
Expenditures		
Instruction	314,579	753,091
Student Support Services	58,233	114,075
Instructional Support Staff	7,595	87,105
General Administration	1,423	1,042
School Administration	0	5,962
Central Services	2,624	117,164
Operations & Maintenance	8,600	64,985
Student Transportation Serv	0	10,573
Food Service Operation	0	189
	<u>393,054</u>	<u>1,154,186</u>
Receipts Over (Under) Expenditures	(4,018)	(357,229)
Unencumbered Cash, Beginning	0	(4,018)
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ (4,018)</u>	<u>\$ (361,247)</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 44,360	\$ 48,682
State Sources	127,269	105,142
Federal Sources	<u>32,550</u>	<u>15,123</u>
	<u>204,179</u>	<u>168,947</u>
Expenditures		
Instruction	137,843	81,068
Student Support Services	53,382	81,260
Instructional Support Staff	8,300	7,670
Food Service Operation	<u>2,000</u>	<u>169</u>
	<u>201,525</u>	<u>170,167</u>
Receipts Over (Under) Expenditures	2,654	(1,220)
Unencumbered Cash, Beginning	52,558	55,212
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 55,212</u>	<u>\$ 53,992</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 106,967	\$ 534,830
	<u>106,967</u>	<u>534,830</u>
 Expenditures	 <u>0</u>	 <u>0</u>
	<u>0</u>	<u>0</u>
 Receipts Over (Under) Expenditures	 106,967	 534,830
 Unencumbered Cash, Beginning	 450,000	 556,967
 Prior Year Canceled Encumbrances	 <u>0</u>	 <u>0</u>
 Unencumbered Cash, Ending	 <u>\$ 556,967</u>	 <u>\$ 1,091,797</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

Textbook & Student Material			
Revolving Fund			
		Prior Year	Current Year
		Actual	Actual
Cash Receipts			
Local Sources	\$ 153,916	\$ 156,216	
Transfers	80,000	95,000	
	<u>233,916</u>	<u>251,216</u>	
Expenditures			
Instruction	42,499	459,299	
Student Support Services	58,971	68,315	
	<u>101,470</u>	<u>527,614</u>	
Receipts Over (Under) Expenditures	132,446	(276,398)	
Unencumbered Cash, Beginning	514,896	647,342	
Prior Year Canceled Encumbrances	0	4,002	
Unencumbered Cash, Ending	<u>\$ 647,342</u>	<u>\$ 374,946</u>	

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organizations				
AHS General	\$ 1,041	\$ 2,499	\$ 3,096	\$ 444
AHS Band	13,076	2,359	7,314	8,121
AHS Scholars Bowl	1,025	0	248	777
AHS Flag Corp	2,999	665	1,587	2,077
AHS Forensics	2,831	726	1,806	1,751
AHS Library	2,511	1,000	985	2,526
AHS Music	11	6,974	4,288	2,697
AHS Drama	4,311	2,296	4,676	1,931
AHS Vocal Music	5,167	4,099	1,951	7,315
AHS Vocal Music Spec. Acct	628	100	0	728
AHS Varsity Athletic Club	177	0	0	177
AHS Spirit Club	377	0	0	377
AHS Art Club	1,607	127	176	1,558
AHS French Club	351	0	0	351
AHS Robotics	250	0	1	249
AHS Science Olympiad	10	50	0	60
AHS Family/Career/Comm	1,171	0	0	1,171
AHS FACS	75	0	0	75
AHS National Honor Society	2,220	1,540	2,559	1,201
AHS Spanish Club	1,071	0	58	1,013
AHS Youth Entrepreneurs	100	0	0	100
AHS Oriole Store	136	0	0	136
AHS Concessions	13,387	4,585	6,239	11,733
AHS STUCO Activities	10,386	495	1,535	9,346
AHS In House Training	235	0	0	235
AHS FBLA Future Business	7,525	2,422	1,476	8,471
AHS Advanced Placement	452	0	0	452
AHS SADD	10,673	1	0	10,674
AHS Renaissance Program	119	350	191	278
AHS JAG	324	430	521	233
AHS Skills USA VICA	8,790	4,335	3,861	9,264
AHS Educators Rising	93	0	1	92
AHS Hosa	640	0	0	640
AHS School Newspaper	516	0	0	516
AHS Yearbook	5,349	9,090	8,771	5,668
AHS Computer Fund	71	0	0	71
	99,705	44,143	51,340	92,508

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organizations (Continued)				
AHS Dance Team	1,291	19,132	19,749	674
AHS Weightlifting	190	120	0	310
AHS Powerlifting	315	0	0	315
Class of 1991	3	0	0	3
Class of 2009	100	0	0	100
Class of 2011	1,919	0	0	1,919
Class of 2012	3,512	0	0	3,512
Class of 2013	1,164	0	0	1,164
Class of 2014	1,267	0	0	1,267
Class of 2015	455	0	0	455
Class of 2016	684	0	0	684
Class of 2017	1,740	0	0	1,740
Class of 2018	1,000	4	0	1,004
Class of 2019	1,853	16	0	1,869
Class of 2020	105	17	0	122
Class of 2021	4,067	106	83	4,090
Class of 2022	2,096	8,083	8,081	2,098
Class of 2023	508	1,666	0	2,174
Class of 2024	0	739	0	739
Max Hendrickson	145	0	0	145
AHS Baseball Fundraiser	1,056	7,188	2,708	5,536
Girls Soccer Fundraiser	543	2,540	2,893	190
Soccer Fundraiser	404	5,268	3,586	2,086
Volleyball	1,453	500	1,953	0
AHS Football Fundraiser	566	9,832	5,126	5,272
Girls Tennis	1	0	0	1
AHS Wrestling	592	2,697	3,139	150
AHS Track	548	124	0	672
AHS Softball Fundraiser	4,989	5,309	3,437	6,861
Bowling	593	22	235	380
Boys Golf Fundraiser	92	335	301	126
Girls Golf Fundraiser	1,310	0	827	483
Boys Basketball Fundraiser	152	4,048	3,281	919
Girls Basketball Fundraiser	299	3,250	2,746	803
AHS Athletic Trainers	16	0	0	16
AHS Cheerleaders	1,308	4,957	4,824	1,441
AHS Summer Weight Pgrm	1,111	4,920	2,549	3,482
	37,447	80,873	65,518	52,802

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organizations (Continued)				
AMS General	3,309	1,845	3,828	1,326
AMS Academics	14	0	0	14
AMS Gifted	19	0	0	19
AMS Band	8,106	3,143	8,003	3,246
AMS Library	797	0	286	511
AMS 7th Grade ELA	500	0	0	500
AMS National Jr. Honor Society	1,157	444	609	992
AMS Vocal Music	461	0	0	461
AMS Yearbook	1,078	3,102	2,078	2,102
AMS 6th Grade Fundraising	3,107	0	0	3,107
AMS Stuco	4,823	2,002	2,199	4,626
AMS 7th Grade Science	406	0	0	406
AMS Avid	205	0	72	133
AMS Science Olympiad	372	0	0	372
AMS Scholars Bowl	143	0	14	129
AMS EMH Class	21	0	0	21
AMS Physical Ed. Activity	191	0	0	191
AMS Cheerleaders	1,502	1,665	1,780	1,387
AMS Volleyball	1,222	850	320	1,752
AMS Wrestling	7	380	387	0
AMS Football	736	0	182	554
AMS Girls Basketball	1,328	1,759	1,334	1,753
AMS Boys Basketball	158	0	0	158
AMS Track	0	771	412	359
	<u>29,662</u>	<u>15,961</u>	<u>21,504</u>	<u>24,119</u>

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organizations (Continued)				
Ewalt General	2,613	3,150	5,125	638
Ewalt Library	234	0	0	234
Ewalt Yearbook	266	1,355	1,193	428
Ewalt Student Council	435	823	574	684
Garfield General	132	3,215	3,154	193
Garfield Early Childhood	8	0	0	8
Garfield Library	4,751	0	0	4,751
Garfield School Store	364	0	0	364
Garfield Stuco	3,558	969	1,011	3,516
Garfield Owl's	7	0	0	7
Garfield Vocal Music	84	0	0	84
Lincoln General	2,533	666	1,271	1,928
Lincoln Library	729	1,242	412	1,559
Robinson General	3,585	401	0	3,986
Robinson Green Team	69	0	0	69
Robinson Library	128	1,134	934	328
Meet the Author	1,946	0	0	1,946
Battle of the Books	110	0	0	110
	<u>188,366</u>	<u>153,932</u>	<u>152,036</u>	<u>190,262</u>
Memorials & Scholarships		2	3	
Rodney Wheeler Scholarship	8,187	1,434	1,000	8,621
J.C. Hutter Scholarship	11,980	711	1,220	11,471
Jacque Hoefgen Grant	2,223	0	1,239	984
Jeanette McDaniel				
Scholarship	3,604	152	0	3,756
Gene Nusz Wrestling				
Scholarship	492	476	492	476
	<u>26,486</u>	<u>2,773</u>	<u>3,951</u>	<u>25,308</u>
Other				
Bank Charges/Interest	643	107	250	500
Sales Tax	25	11,663	11,617	71
	<u>668</u>	<u>11,770</u>	<u>11,867</u>	<u>571</u>
Total Agency Funds	<u>\$ 215,520</u>	<u>\$ 168,475</u>	<u>\$ 167,854</u>	<u>\$ 216,141</u>

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2021**

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts							
Augusta High School	\$ 20,691	\$ 0	\$ 61,630	\$ 51,850	\$ 30,471	\$ 504	\$ 30,975
AHS Athletics Special	5,051	0	7,745	5,979	6,817	0	6,817
Augusta Middle School	7,721	0	11,446	13,084	6,083	0	6,083
Total District Activity Funds	<u>\$ 33,463</u>	<u>\$ 0</u>	<u>\$ 80,821</u>	<u>\$ 70,913</u>	<u>\$ 43,371</u>	<u>\$ 504</u>	<u>\$ 43,875</u>

FEDERAL AWARD INFORMATION



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

INDEPENDENT AUDITORS' REPORT

**Board of Education
Augusta Unified School District No. 402
Augusta, Kansas**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Augusta Unified School District No. 402, Augusta, Kansas**, as of and for the year ended **June 30, 2021**, and the related notes to the financial statement, which collectively comprise **Augusta Unified School District No. 402, Augusta, Kansas'** basic financial statement, and have issued our report thereon dated October 29, 2021. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Augusta Unified School District No. 402, Augusta, Kansas'** 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 **Augusta Unified School District No. 402, Augusta, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Augusta Unified School District No. 402, Augusta, Kansas'** internal control.

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

**Board of Education
Augusta Unified School District No. 402**

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

Compliance and Other Matters

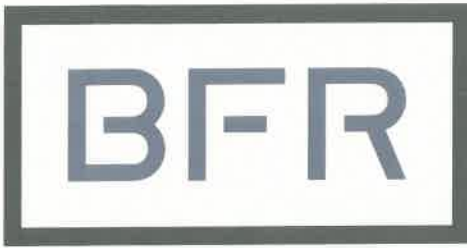
As part of obtaining reasonable assurance about whether **Augusta Unified School District No. 402, Augusta, Kansas'** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

BFR CPA, LLC

BFR CPA, LLC
October 29, 2021



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

INDEPENDENT AUDITORS' REPORT

**Board of Education
Augusta Unified School District No. 402
Augusta, Kansas**

Report on Compliance for Each Major Federal Program

We have audited the compliance of **Augusta Unified School District No. 402, Augusta, Kansas**, with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of **Augusta Unified School District No. 402, Augusta, Kansas'** major federal programs for the year ended **June 30, 2021**. **Augusta Unified School District No. 402, Augusta, Kansas'** major federal financial programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of **Augusta Unified School District No. 402, Augusta, Kansas'** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Kansas Municipal Audit and Accounting Guide*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Augusta Unified School District No. 402, Augusta, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of **Augusta Unified School District No. 402, Augusta, Kansas'** compliance.

**Board of Education
Augusta Unified School District No. 402**

Opinion on Each Major Federal Program

In our opinion, **Augusta Unified School District No. 402, Augusta, Kansas** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 2021**.

Report on Internal Control Over Compliance

Management of **Augusta Unified School District No. 402, Augusta, Kansas** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Augusta Unified School District No. 402, Augusta, Kansas'** internal control over compliance.

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

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

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

BFR CPA, LLC

BFR CPA, LLC
October 29, 2021

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Grant Title	Federal Assistance Listing Number	Program Amount	Unencumbered Cash 7/1/2020	Receipts	Expenditures	Unencumbered Cash 6/30/2021
<u>(Passes Through Kansas Department of Education)</u>						
Department of Agriculture						
Child Nutrition Cluster-Cluster						
National School Lunch Program	10.555	\$ 155,073				
Summer Food Service Program for Children	10.559	859,537				
		<u>1,014,610</u>	<u>\$ 0</u>	<u>\$ 1,014,610</u>	<u>\$ 1,014,610</u>	<u>\$ 0</u>
Department of Education						
Title I Grants to Local Educational Agencies	84.010	284,605	0	284,605	284,605	0
Career and Technical Education - Basic Grants to States	84.048	4,500	0	4,500	4,500	0
Supporting Effective Instruction State Grants	84.367	57,712	0	42,816	57,712	(14,896)
Student Support and Academic Enrichment Program	84.424	20,221	0	20,221	20,221	0
Education Stabilization Fund	84.425D	3,398,563	(4,018)	214,712	557,045	(346,351)
		<u>3,765,601</u>	<u>(4,018)</u>	<u>566,854</u>	<u>924,083</u>	<u>(361,247)</u>
Department of Health and Human Services						
Temporary Assistance for Needy Families Cluster-Cluster						
Temporary Assistance for Needy Families State Programs	93.558	27,000	0	15,123	27,000	(11,877)
<u>(Passes Through Butler County)</u>						
Department of the Treasury						
Coronavirus Relief Fund	21.019	264,996	0	264,996	264,996	0
Total Federal Awards		<u>\$ 5,072,207</u>	<u>\$ (4,018)</u>	<u>\$ 1,861,583</u>	<u>\$ 2,230,689</u>	<u>\$ (373,124)</u>

The accompanying notes are an integral part of this schedule.

AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Augusta Unified School District No. 402, Augusta, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 - Indirect Cost Rate:

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

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **Augusta Unified School District No. 402, Augusta, Kansas**.
2. No significant deficiencies or material weaknesses were reported in the Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of **Augusta Unified School District No. 402, Augusta, Kansas**, were disclosed during the audit.
4. No significant deficiencies or material weakness were reported in the Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance.
5. The independent auditors' report on compliance for the major federal award programs for **Augusta Unified School District No. 402, Augusta, Kansas**, expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for **Augusta Unified School District No. 402, Augusta, Kansas**.
7. The programs tested as major programs were:

Child Nutrition Cluster-Cluster	
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. **Augusta Unified School District No. 402, Augusta, Kansas**, was determined not to be a low-risk auditee.

**AUGUSTA UNIFIED SCHOOL DISTRICT NO. 402
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

There are no prior audit findings.