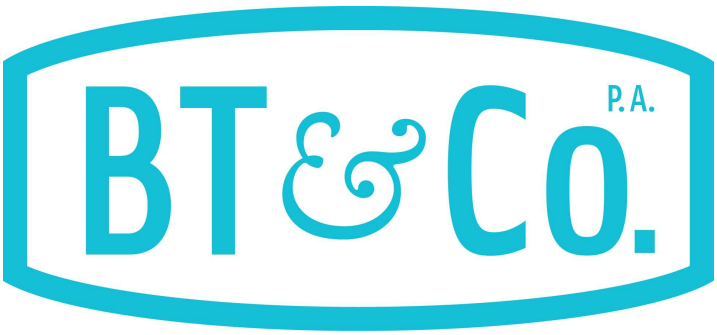


JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339 WINCHESTER, KANSAS

FINANCIAL STATEMENT
YEAR ENDED JUNE 30, 2021

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS
Year Ended June 30, 2021

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BT & Co. P.A.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Board of Education
Jefferson County North Unified School District No. 339

Report on the Financial Statement

We have audited the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Jefferson County North Unified School District No. 339 (the District) 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 (the KMAAG) as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a 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 KMAAG. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on 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 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.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2021, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District 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 KMAAG described in Note 2.

Other Matters

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 (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying 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 KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 9, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BT&Co., P.A.

December 9, 2021
Topeka, Kansas

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - REGULATORY BASIS
Year Ended June 30, 2021

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General fund	$ -	$ -	$ 4,225,956	$ 4,225,953	$ 3	$ 324,218	$ 324,221
Supplemental general fund	56,568	743	1,253,678	1,259,392	51,597	63,565	115,162
Special purpose funds:							
Capital outlay	441,747	-	308,530	228,576	521,701	184,956	706,657
Driver training	23,136	-	6,819	9,715	20,240	-	20,240
Food service	45,072	-	344,178	345,796	43,454	42,899	86,353
Professional development	18,882	-	9,042	20,182	7,742	-	7,742
Special education	302,362	-	958,514	960,777	300,099	-	300,099
Extraordinary school program	18,174	-	13,680	13,299	18,555	-	18,555
Vocational education	99,784	-	105,509	111,505	93,788	6,551	100,339
Federal grant funds	-	-	318,042	318,042	-	8,172	8,172
KPERS special retirement contribution	-	-	430,644	430,644	-	-	-
At-risk K-12	83,082	-	296,000	302,552	76,530	48,085	124,615
At-risk 4 year-old	43,174	-	39,800	57,328	25,646	10,798	36,444
Parent education program	7,500	-	4,500	6,000	6,000	-	6,000
Gifts and grants	13,172	-	1,349	-	14,521	-	14,521
Contingency reserve	199,640	-	-	-	199,640	-	199,640
Textbook rental	131,368	-	28,628	1,554	158,442	238	158,680
District activity	20,715	-	24,201	25,865	19,051	-	19,051
Capital project fund:							
Construction fund	-	1,475	-	1,475	-	-	-
Bond and interest fund	504,635	-	259,179	206,238	557,576	-	557,576
Total reporting entity (excluding agency funds)	$ 2,009,011	$ 2,218	$ 8,628,249	$ 8,524,893	$ 2,114,585	$ 689,482	$ 2,804,067
Composition of cash							
Kendall State Bank:							
Checking - NOW account							$ 1,759,501
Checking - High School activity							64,956
Checking - Elementary and Middle School activity							31,426
Money market deposit account							1,025,515
Total cash							2,881,398
Agency funds per Schedule 3							(77,331)
Total reporting entity (excluding agency funds)							$ 2,804,067

See accompanying notes to financial statement.

1 - Municipal Financial Reporting Entity

Jefferson County North Unified School District No. 339 (the District) is a municipal corporation governed by an elected seven-member board. This financial statement includes all of the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Fund Descriptions

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 regulatory basis fund types comprise the financial activities of the District for the year ended June 30, 2021:

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

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

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

Bond and Interest Fund is used to account for the accumulation of resources for and the payment of interest, principal, and related costs on long-term debt.

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

(b) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (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 revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

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

(c) Budget and Tax Cycle

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but 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 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. The District had no budget amendments 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 statements are presented 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 regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a

document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the capital project fund, agency funds, or the following special purpose funds:

Contingency Reserve, Textbook Rental, and District Activity Funds.

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.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the County Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

(d) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

(e) Annual Personal and Sick Leave Benefits

Under the terms of the District's personnel policy, District employees are granted annual personal and sick leave in varying amounts depending on whether the employee is hourly or contracted.

(f) Reimbursed Expenses

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statement meet the following criteria:

1. The related disbursement was made in the current year on behalf of the payee.
2. The item paid for was directly identifiable as having been used by or provided to the payee.
3. The amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

(g) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

3 - Deposits and Investments

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

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

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's investments were composed entirely of money market deposit accounts during and as of the fiscal year ended June 30, 2021.

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

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.

4 - In-substance Receipt in Transit

The District received $ 281,121 subsequent to June 30, 2021 and as required by K.S.A. 72-5135 the receipts were recorded as in-substance receipts in transit and included as receipts for the year ended June 30, 2021.

5 - Long-Term Debt

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

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance, Beginning of Year	Additions	Reductions/ Payments	Balance, End of Year	Interest Paid
2013 GO bond issue	2.00% to 3.25%	6/1/2013	$ 2,000,000	09/01/2028	$ 1,615,000	$ -	$ 160,000	$ 1,455,000	$ 46,238

Maturities of long-term debt and interest through maturity are as follows:

	2022	2023	2024	2025	2026	2027 - 2029	Total
Principal:							
General obligation bond	$ 165,000	$ 170,000	$ 170,000	$ 180,000	$ 185,000	$ 585,000	$ 1,455,000
Interest:							
General obligation bond	$ 42,162	$ 37,138	$ 32,037	$ 26,788	$ 21,312	$ 28,607	$ 188,044

6 - 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas Avenue, 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 (not including the 1% contribution rate for the Death and Disability Program) was 15.59% and 14.23%, respectively, 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.

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 $ 426,034 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 $ 4,466,945. 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.

7 - Post-Employment Benefits

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

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

8 - Death and Disability Other Post-Employment Benefits

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

9 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2021. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	At-risk 4 year-old	K.S.A. 72-5167	$ 21,000
General	At-risk K-12	K.S.A. 72-5167	96,000
General	Food service	K.S.A. 72-5167	38,294
General	Special education	K.S.A. 72-5167	682,010
General	Vocational education	K.S.A. 72-5167	18,490
Supplemental general	At-risk 4 year-old	K.S.A. 72-5143	18,800
Supplemental general	At-risk K-12	K.S.A. 72-5143	200,000
Supplemental general	Food service	K.S.A. 72-5143	400
Supplemental general	Professional development	K.S.A. 72-5143	5,000
Supplemental general	Parent education program	K.S.A. 72-5143	4,500
Supplemental general	Special education	K.S.A. 72-5143	212,706
Supplemental general	Vocational education	K.S.A. 72-5143	85,000
			$ 1,382,200

10 - 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 for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

11 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and, on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the District operates. On March 27, 2020, the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the pandemic.

It is unknown how long the adverse conditions associated with the pandemic will last and what the complete financial effect will be to the District. Accordingly, while management cannot quantify the financial and

other impacts to the District as of June 30, 2021, management believes that a material impact on the District's financial position and results of future operations is reasonably possible.

SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2021

Fund	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General fund	$ 4,362,938	$ (206,519)	$ 69,534	$ 4,225,953	$ 4,225,953	$ -
Supplemental general fund	1,317,928	(62,148)	3,612	1,259,392	1,259,392	-
Special purpose funds:						
Capital outlay	687,000	-	-	687,000	228,576	(458,424)
Driver training	26,275	-	-	26,275	9,715	(16,560)
Food service	333,825	-	16,217	350,042	345,796	(4,246)
Professional development	36,800	-	-	36,800	20,182	(16,618)
Special education	1,147,236	-	-	1,147,236	960,777	(186,459)
Extraordinary school program	30,025	-	-	30,025	13,299	(16,726)
Vocational education	162,100	-	-	162,100	111,505	(50,595)
Federal grant funds	105,172	-	212,870	318,042	318,042	-
KPERS special retirement contribution	563,643	-	-	563,643	430,644	(132,999)
At-risk K-12	373,775	-	-	373,775	302,552	(71,223)
At-risk 4 year-old	79,575	-	-	79,575	57,328	(22,247)
Parent education program	12,000	-	-	12,000	6,000	(6,000)
Gifts and grants	10,750	-	-	10,750	-	(10,750)
Bond and interest fund	206,238	-	-	206,238	206,238	-
Totals	$ 9,455,280	$ (268,667)	$ 302,233	$ 9,488,846	$ 8,495,999	

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Mineral production tax	$ 9	$ 26	$ 17
State aid:			
General state aid	3,548,871	3,474,386	(74,485)
Special education aid	814,058	682,010	(132,048)
Reimbursed expenses	-	69,534	69,534
Total cash receipts	$ 4,362,938	4,225,956	$ (136,982)
Expenditures, encumbrances, and transfers:			
Instruction	$ 2,069,500	2,074,220	$ 4,720
Student support services	112,850	120,753	7,903
Instructional support staff	41,135	3,727	(37,408)
General administration	290,200	280,466	(9,734)
School administration	286,250	304,214	17,964
Operations and maintenance	265,200	312,300	47,100
Transportation	281,800	273,478	(8,322)
Other support services	2,000	1,001	(999)
Transfers out	1,014,003	855,794	(158,209)
Budget adjustment to comply with legal max	(206,519)		206,519
Budget adjustment for qualifying budget credits	69,534		(69,534)
Total expenditures, encumbrances, and transfers	$ 4,225,953	4,225,953	$ -
Cash receipts over expenditures, encumbrances, and transfers		3	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ 3	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	$ 404,905	$ 425,005	$ 20,100
Delinquent tax	4,304	7,348	3,044
Motor vehicle tax	52,631	52,345	(286)
Recreational vehicle tax	862	900	38
16/20M truck tax	907	3,968	3,061
State aid	798,137	760,500	(37,637)
Reimbursed expenses	-	3,612	3,612
Total cash receipts	$ 1,261,746	1,253,678	$ (8,068)
Expenditures, encumbrances, and transfers:			
Instruction	$ 198,528	176,518	$ (22,010)
Student support services	30,200	34,819	4,619
Instructional support staff	12,000	17,513	5,513
General administration	135,200	150,980	15,780
School administration	9,500	8,926	(574)
Central services	16,000	15,958	(42)
Operations and maintenance	362,500	328,188	(34,312)
Transportation	-	84	84
Transfers out	554,000	526,406	(27,594)
Budget adjustment to comply with legal max	(62,148)		62,148
Budget adjustment for qualifying budget credits	3,612		(3,612)
Total expenditures, encumbrances, and transfers	$ 1,259,392	1,259,392	$ -
Cash receipts under expenditures, encumbrances, and transfers		(5,714)	
Unencumbered cash, beginning		56,568	
Adjustment to unencumbered cash for prior year canceled encumbrances		743	
Unencumbered cash, ending		$ 51,597	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	$ 179,369	$ 184,594	$ 5,225
Delinquent tax	1,626	2,441	815
Motor vehicle tax	19,237	19,127	(110)
Recreational vehicle tax	315	329	14
16/20M truck tax	331	1,388	1,057
State aid	99,209	99,207	(2)
Miscellaneous	-	1,444	1,444
Total cash receipts	$ 300,087	308,530	$ 8,443
Expenditures and encumbrances:			
Instruction	$ 101,000	21,105	$ (79,895)
Central services	3,500	-	(3,500)
Operations and maintenance	140,000	78,247	(61,753)
Transportation	175,000	92,650	(82,350)
Site acquisition and improvement	267,500	36,574	(230,926)
Total expenditures and encumbrances	$ 687,000	228,576	$ (458,424)
Cash receipts over expenditures and encumbrances		79,954	
Unencumbered cash, beginning		441,747	
Unencumbered cash, ending		$ 521,701	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
State aid	$ 1,650	$ 2,244	$ 594
Local sources	3,000	4,575	1,575
Total cash receipts	$ 4,650	6,819	$ 2,169
Expenditures:			
Instruction	$ 26,275	9,445	$ (16,830)
Vehicle operation	-	270	270
Total expenditures	$ 26,275	9,715	$ (16,560)
Cash receipts under expenditures		(2,896)	
Unencumbered cash, beginning		23,136	
Unencumbered cash, ending		$ 20,240	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Interest on idle funds	$ 20,000	$ 3,694	$ (16,306)
Federal aid	151,450	278,650	127,200
State aid	1,320	2,592	1,272
Charges for services	61,102	20,437	(40,665)
Transfers in	54,945	38,694	(16,251)
Reimbursed expenses	-	111	111
Total cash receipts and transfers	$ 288,817	344,178	$ 55,361
Expenditures and encumbrances:			
Operations and maintenance	$ 24,225	13,308	$ (10,917)
Food service operation	309,600	332,488	22,888
Budget adjustment for qualifying budget credits - reimbursed expenses included in federal aid	16,217		(16,217)
Total expenditures and encumbrances	$ 350,042	345,796	$ (4,246)
Cash receipts and transfers under expenditures and encumbrances		(1,618)	
Unencumbered cash, beginning		45,072	
Unencumbered cash, ending		$ 43,454	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
State aid	$ 3,000	$ 4,042	$ 1,042
Transfers in	18,000	5,000	(13,000)
Total cash receipts and transfers	$ 21,000	9,042	$ (11,958)
Expenditures:			
Instructional support staff	$ 36,800	20,182	$ (16,618)
Cash receipts and transfers under expenditures		(11,140)	
Unencumbered cash, beginning		18,882	
Unencumbered cash, ending		$ 7,742	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Medicaid	$ -	$ 22,874	$ 22,874
Federal aid	-	40,924	40,924
Transfers in	1,039,058	894,716	(144,342)
Total cash receipts and transfers	$ 1,039,058	958,514	$ (80,544)
Expenditures:			
Instruction	$ 1,055,536	906,834	$ (148,702)
Transportation	91,700	53,943	(37,757)
Total expenditures	$ 1,147,236	960,777	$ (186,459)
Cash receipts and transfers under expenditures		(2,263)	
Unencumbered cash, beginning		302,362	
Unencumbered cash, ending		$ 300,099	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
EXTRAORDINARY SCHOOL PROGRAM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Charges for services	$ 20,000	$ 13,680	$ (6,320)
Expenditures:			
Instruction	$ 30,025	13,299	$ (16,726)
Cash receipts over expenditures		381	
Unencumbered cash, beginning		18,174	
Unencumbered cash, ending		$ 18,555	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
VOCATIONAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Transfers in	$ 95,000	$ 103,490	$ 8,490
Federal aid	1,000	2,019	1,019
Total cash receipts and transfers	$ 96,000	105,509	$ 9,509
Expenditures and encumbrances:			
Instruction	$ 162,100	111,505	$ (50,595)
Cash receipts and transfers under expenditures and encumbrances		(5,996)	
Unencumbered cash, beginning		99,784	
Unencumbered cash, ending		$ 93,788	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
FEDERAL GRANT FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Title I	Teacher Quality Title II	REAP	Title IV	SPARKS	ESSER I	Total Actual	Budget	Variance Over (Under)
Cash receipts:									
Federal aid	$ 41,211	$ 7,275	$ 22,150	$ 12,107	$ 197,147	$ 38,152	$ 318,042	$ 105,172	$ 212,870
Expenditures and encumbrances:									
Instruction	41,211	830	22,150	-	197,147	38,152	299,490	$ 96,550	$ 202,940
Instructional support staff	-	6,445	-	12,107	-	-	18,552	8,622	9,930
Budget adjustment for qualifying budget credits - federal aid over amount budgeted								212,870	(212,870)
Total expenditures and encumbrances	41,211	7,275	22,150	12,107	197,147	38,152	318,042	$ 318,042	$ -
Cash receipts over expenditures and encumbrances	-	-	-	-	-	-	-		
Unencumbered cash, beginning	-	-	-	-	-	-	-		
Unencumbered cash, ending	$ -	$ -	$ -	$ -	$ -	$ -	$ -		

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
State aid	$ 563,643	$ 430,644	$ (132,999)
Expenditures:			
Instruction	$ 383,143	274,989	$ (108,154)
Student support services	22,000	15,973	(6,027)
Instructional support staff	6,500	1,676	(4,824)
General administration	34,000	30,079	(3,921)
School administration	35,000	34,636	(364)
Operations and maintenance	34,000	34,987	987
Transportation	34,000	24,415	(9,585)
Food service	15,000	13,889	(1,111)
Total expenditures	$ 563,643	430,644	$ (132,999)
Cash receipts over expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ -	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
AT-RISK K-12 FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	$ 295,000	$ 296,000	$ 1,000
Expenditures and encumbrances:			
Instruction	$ 326,250	260,962	$ (65,288)
Student support services	47,525	41,590	(5,935)
Total expenditures and encumbrances	$ 373,775	302,552	$ (71,223)
Transfers under expenditures and encumbrances		(6,552)	
Unencumbered cash, beginning		83,082	
Unencumbered cash, ending		$ 76,530	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
AT-RISK 4 YEAR-OLD FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	$ 60,000	$ 39,800	$ (20,200)
Expenditures and encumbrances:			
Instruction	$ 79,575	57,328	$ (22,247)
Transfers under expenditures and encumbrances		(17,528)	
Unencumbered cash, beginning		43,174	
Unencumbered cash, ending		$ 25,646	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
PARENT EDUCATION PROGRAM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	$ 6,000	$ 4,500	$ (1,500)
Expenditures:			
Student support services	$ 12,000	6,000	$ (6,000)
Transfers under expenditures		(1,500)	
Unencumbered cash, beginning		7,500	
Unencumbered cash, ending		$ 6,000	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Local sources	$ -	$ 1,349	$ 1,349
Expenditures:			
Instruction	$ 10,750	-	$ (10,750)
Cash receipts over expenditures		1,349	
Unencumbered cash, beginning		13,172	
Unencumbered cash, ending		$ 14,521	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	$ 126,537	$ 130,346	$ 3,809
Delinquent tax	1,256	2,196	940
Motor vehicle tax	17,723	17,683	(40)
Recreational vehicle tax	291	333	42
16/20M truck tax	305	1,377	1,072
State aid	107,244	107,244	-
Total cash receipts	$ 253,356	259,179	$ 5,823
Expenditures:			
Principal	$ 160,000	160,000	$ -
Interest	46,238	46,238	-
Total expenditures	$ 206,238	206,238	$ -
Cash receipts over expenditures		52,941	
Unencumbered cash, beginning		504,635	
Unencumbered cash, ending		$ 557,576	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Unencumbered cash, beginning	$	199,640
Unencumbered cash, ending	$	199,640

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
TEXTBOOK RENTAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Cash receipts:		
Charges for services	$	28,628
Expenditures and encumbrances:		
Instruction		1,399
Food service		155
Total expenditures and encumbrances		1,554
Cash receipts over expenditures and encumbrances		27,074
Unencumbered cash, beginning		131,368
Unencumbered cash, ending	$	158,442

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
CONSTRUCTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2021

Expenditures:		
Site and building improvements	$	1,475
Unencumbered cash, beginning		-
Adjustment to unencumbered cash for prior year canceled encumbrances		1,475
Unencumbered cash, ending	$	-

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
STUDENT ORGANIZATION FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
Year Ended June 30, 2021

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Middle School:				
Activity	$ 2,570	$ 5,989	$ 6,971	$ 1,588
Cheerleading	9,194	8,265	7,556	9,903
Coke	3,991	714	850	3,855
Elementary leadership	(122)	1,668	777	769
Knowledge bowl	935	75	156	854
MS book fair	1,951	-	-	1,951
Pep club	13,585	328	1,863	12,050
Recycling	456	-	-	456
Subtotal Middle School	32,560	17,039	18,173	31,426
High School:				
Activity	18	1,207	1,225	-
Applied business development	1,840	1,311	652	2,499
Cheerleaders/dancers	8,481	2,734	5,190	6,025
Concessions	2,911	10,146	8,459	4,598
Drama/theatre	4,752	2,185	949	5,988
FBLA	1,948	4,502	5,341	1,109
Forensics	863	-	40	823
Gifted	317	75	20	372
Junior class	3,239	7,245	8,997	1,487
Letter club/weightlifting	1,583	-	718	865
Music/band	20,234	105	11,823	8,516
National honor society	21	-	-	21
Scholarbowl	137	811	530	418
Senior class	1,306	2,875	3,168	1,013
Sophomore class	642	4,351	4,993	-
Spanish (HUDL)	4,385	6,992	7,050	4,327
SPED donantions	-	387	-	387
STUCO	3,653	2,580	1,523	4,710
Volleyball	1,143	-	477	666
Wellness program	17	2	-	19
Yearbook	2,451	4,664	5,053	2,062
Subtotal High School	59,941	52,172	66,208	45,905
Total student organization funds	$ 92,501	$ 69,211	$ 84,381	$ 77,331

Schedule 4

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2021

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate receipts:							
High school athletics	$ 20,715	$ -	$ 24,201	$ 25,865	$ 19,051	$ -	$ 19,051

BT & Co. P.A.
Certified Public Accountants

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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*

Board of Education
Jefferson County North Unified School District No. 339:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Jefferson County North Unified School District No. 339 (the District) which comprises the summary statement of regulatory basis receipts, expenditures, and unencumbered cash as of June 30, 2021 and the related notes to the financial statement and have issued our report thereon dated December 9, 2021. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Internal Control Over Financial Reporting

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

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

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

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BT&Co., P.A.

December 9, 2021
Topeka, Kansas