

HAYSVILLE UNIFIED SCHOOL DISTRICT NO. 261

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2021

WITH

INDEPENDENT AUDITOR'S REPORT



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This is a copy of the District's annual financial statements reproduced from an electronic file. An original copy of this document is available at the District's office.

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 AUDITOR'S REPORT

The Board of Education

Haysville Unified School District No. 261

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 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Haysville Public Schools, USD 261 (District), as of and for the year ended June 30, 2021 and the related notes to the financial statement, and have issued our report thereon dated September 23, 2021. The District prepared the regulatory basis financial statement 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.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 23, 2021
Wichita, Kansas

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

The Board of Education
Haysville Unified School District No. 261

Report on Compliance for Each Major Federal Program

We have audited Haysville Unified School District No. 261's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

Report on Schedule of Expenditures of Federal Award Required by Uniform Guidance

We have audited the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Haysville Public Schools, USD 261 (District) as of and for the year ended June 30, 2021, and the related notes to the financial statement. We have issued our report thereon dated September 23, 2021 which contained an unmodified opinion on the financial statement. The District prepared this regulatory basis financial statement 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. Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the regulatory basis 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 regulatory basis financial statement. The information has been subjected to the auditing procedures

applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statement or to the regulatory basis financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the regulatory basis financial statement as a whole.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 23, 2021
Wichita, Kansas

HAYSVILLE UNIFIED SCHOOL DISTRICT NO. 261

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2021

SECTION I – SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Adverse

Type of auditor's report issued on the basis of accounting used by the District:

Unmodified - Regulatory Basis

Internal control over financial reporting:

• Material weaknesses identified?

 Yes X No

• Significant deficiencies identified?

 Yes X None reported

• Noncompliance material to financial statements noted?

 Yes X No

FEDERAL AWARDS

Internal control over major federal programs:

• Material weaknesses identified?

 Yes X No

• Significant deficiencies identified?

 Yes X None reported

Type of auditor's report issued on compliance for major federal programs:

See below

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

 Yes X No

Identification of major federal programs:

<u>ASSISTANCE LISTING NUMBER</u>	<u>NAME OF FEDERAL PROGRAM</u>	<u>MAJOR PROGRAM OPINION</u>
84.010	Title I Grants to Local Educational Agencies	Unmodified
84.027, 84.173	Special Education Cluster	Unmodified
84.425D	Education Stabilization Fund	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 Yes X No

HAYSVILLE UNIFIED SCHOOL DISTRICT NO. 261

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

HAYSVILLE UNIFIED SCHOOL DISTRICT NO. 261

SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2021

Summary Schedule of Prior Audit Findings

No matters were reported.

HAYSVILLE UNIFIED SCHOOL DISTRICT NO. 261

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

Federal Grantor/Pass-Through Entity/Program Title	Federal Assistance Listing Number	Cluster	Pass-Through Grantor's Number	Expenditures	Subrecipient Amounts
U.S. Department of Agriculture:					
Passed Through Kansas Department of Education					
National School Lunch Program	10.555	1	3530-3500	\$ 4,608	\$ -
COVID-19 - National School Lunch Program	10.555	1	3530-3500	325,670	-
Total National School Lunch Program				<u>330,278</u>	<u>-</u>
Passed Through Kansas Department of Education					
Summer Food Service Program for Children	10.559	1	3230-3020	<u>2,293,838</u>	<u>-</u>
Total U.S. Department of Agriculture				<u>2,624,116</u>	<u>-</u>
U.S. Department of Treasury:					
Passed Through Kansas Department of Education					
COVID-19 - Coronavirus Relief Fund	21.019		3753-3771	48,459	-
Passed Through Sedgwick County					
COVID-19 - Coronavirus Relief Fund	21.019		70-20-000692	<u>347,590</u>	<u>-</u>
Total Coronavirus Relief Fund				<u>396,049</u>	<u>-</u>
Total U.S. Department of Treasury				<u>396,049</u>	<u>-</u>
U.S. Department of Education:					
Passed Through Kansas Department of Education					
Title I Grants for Local Educational Agencies	84.010		3532-3520	643,108	-
Special Education Grants for States	84.027A	2	3234-3050	1,153,959	-
Career and Technical Education - Basic Grants to States	84.048		3539-3590	37,462	-
Special Education Preschool Grants	84.173A	2	3532-3500	39,327	-
Education for Homeless Children and Youth	84.196A		3592-3070	30,500	-
Twenty-First Century Community Learning Centers	84.287C		3519-3890	64,958	-
English Language Acquisition State Grants	84.365		3522-2820	19,074	-
Supporting Effective Instruction State Grants	84.367		3526-3860	137,587	-
Student Support and Academic Enrichment Program	84.424A		3113-3113	39,513	-
COVID-19 - Education Stabilization Fund	84.425D		3233-3040	<u>556,516</u>	<u>-</u>
Total U.S. Department of Education				<u>2,722,004</u>	<u>-</u>
U.S. Department of Health and Human Services:					
Passed Through Kansas Department of Education					
Cooperative Agreements to Promote Adolescent Health through					
School-Based HIV/STD Prevention and School-Based Surveillance	93.079		3592-3076	200	-
Temporary Assistance for Needy Families	93.558		3323-0530	<u>25,191</u>	<u>-</u>
Total U.S. Department of Health and Human Services				<u>25,391</u>	<u>-</u>
Total Federal Assistance				<u>\$ 5,767,560</u>	<u>\$ -</u>
Clusters:					
1 - Child Nutrition Cluster	\$ 2,624,116				
2 - Special Education Cluster	1,193,286				

HAYSVILLE UNIFIED SCHOOL DISTRICT NO. 261

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

1. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Haysville Unified School District No. 261 and is presented on the cash basis of accounting modified for encumbrances. The information in this schedule is presented in accordance with the requirements of Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. INDIRECT COST RATE

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