



Certified Public Accountants

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

FINANCIAL STATEMENT
YEAR ENDED JUNE 30, 2020

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
 WINCHESTER, KANSAS
 FINANCIAL STATEMENT
 REGULATORY BASIS
 Year Ended June 30, 2020

TABLE OF CONTENTS

	<u>Schedule</u>	<u>Page</u>
Independent Auditors' Report		1 - 3
Financial Statement:		
Summary Statement of Receipts, Expenditures, and Unencumbered Cash		4
Notes to Financial Statement		5 - 13
Supplementary Information:		
Summary of Expenditures - Budget and Actual	1	14
Schedule of Receipts and Expenditures:	2	
General Fund		15
Supplemental General Fund		16
Capital Outlay Fund		17
Driver Training Fund		18
Food Service Fund		19
Professional Development Fund		20
Special Education Fund		21
Extraordinary School Program Fund		22
Vocational Education Fund		23
Federal Grant Funds		24
KPERs Special Retirement Contribution Fund		25
At-Risk K-12 Fund		26
At-Risk 4 Year-Old Fund		27
Parent Education Program Fund		28
Gifts and Grants Fund		29
Bond and Interest Fund		30
Contingency Reserve Fund		31
Textbook Rental Fund		32
Construction Fund		33
Summary of Receipts and Disbursements - Student Organization Funds	3	34
Schedule of Receipts, Expenditures, and Unencumbered Cash - District Activity Funds	4	35
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 <i>Government Auditing Standards</i>		36 - 37



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 cash 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, 2020 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, 2020, 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, 2020, 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 cash receipts, expenditures, and unencumbered cash balances (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 October 30, 2020 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.

October 30, 2020
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, 2020

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	\$ -	\$ -	\$ 4,184,868	\$ 4,184,868	\$ -	\$ 305,515	\$ 305,515
Supplemental general fund	58,358	-	1,282,883	1,284,673	56,568	125,148	181,716
Special purpose funds:							
Capital outlay	347,327	1,288	347,213	254,081	441,747	140,597	582,344
Driver training	18,347	-	6,105	1,316	23,136	-	23,136
Food service	45,063	-	287,127	287,118	45,072	22,065	67,137
Professional development	16,331	-	21,483	18,932	18,882	-	18,882
Special education	303,120	-	1,034,249	1,035,007	302,362	-	302,362
Extraordinary school program	19,949	-	12,584	14,359	18,174	-	18,174
Vocational education	100,151	-	109,526	109,893	99,784	6,445	106,229
Federal grants	-	-	100,992	100,992	-	8,670	8,670
KPERs special retirement contribution	-	-	437,781	437,781	-	-	-
At-risk K-12	83,631	-	296,056	296,605	83,082	44,897	127,979
At-risk 4 year-old	43,013	-	62,500	62,339	43,174	10,418	53,592
Parent education program	7,500	-	6,000	6,000	7,500	-	7,500
Gifts and grants	9,769	-	12,988	9,585	13,172	-	13,172
Contingency reserve	205,478	-	-	5,838	199,640	-	199,640
Textbook rental	106,962	-	32,386	7,980	131,368	1,428	132,796
District activity	21,414	-	24,491	25,190	20,715	-	20,715
Capital project fund:							
Construction fund	3,621	-	-	3,621	-	3,621	3,621
Bond and interest fund	455,346	-	253,677	204,388	504,635	-	504,635
	<u>\$ 1,845,380</u>	<u>\$ 1,288</u>	<u>\$ 8,512,909</u>	<u>\$ 8,350,566</u>	<u>\$ 2,009,011</u>	<u>\$ 668,804</u>	<u>\$ 2,677,815</u>

Composition of cash

Kendall State Bank:

Checking - NOW account	\$ 1,376,331
Checking - High School activity	80,651
Checking - Elementary and Middle School activity	32,565
Money market deposit account	1,280,769
Total cash	2,770,316
Agency funds per Schedule 3	(92,501)
Total reporting entity (excluding agency funds)	<u>\$ 2,677,815</u>

See accompanying notes to financial statement.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
June 30, 2020

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, 2020:

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.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

(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, 2020.

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

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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, 2020.

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, 2020.

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 \$ 161,454 and \$ 53,298 subsequent to June 30, 2020 and as required by K.S.A. 72-6417 and 72-6434 the receipts were recorded as in-substance receipts in transit and included as receipts for the year ended June 30, 2020.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt

Changes in long-term debt for the District for the year ended June 30, 2020 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	<u>\$ 1,770,000</u>	<u>\$ -</u>	<u>\$ 155,000</u>	<u>\$ 1,615,000</u>	<u>\$ 49,388</u>

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

	2021	2022	2023	2024	2025	2026 - 2029	Total
Principal:							
General obligation bond	<u>\$ 160,000</u>	<u>\$ 165,000</u>	<u>\$ 170,000</u>	<u>\$ 170,000</u>	<u>\$ 180,000</u>	<u>\$ 770,000</u>	<u>\$ 1,615,000</u>
Interest:							
General obligation bond	<u>\$ 46,237</u>	<u>\$ 42,162</u>	<u>\$ 37,138</u>	<u>\$ 32,037</u>	<u>\$ 26,788</u>	<u>\$ 49,919</u>	<u>\$ 234,281</u>

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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 Comprehensive Annual 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 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 State of Kansas contribution to KPERS for all school municipalities for the year ended June 30, 2020 was \$ 593,407,016.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$ 64.13 million for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$ 6.4 million dollars per year. The first-year payment of \$ 6.4 million was received in July 2017 and appropriations for fiscal year 2018 were made for the State/School group at the statutory contribution rate of 12.01% for that year.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), the state general fund employer contributions to KPERS were decreased by \$ 194.0 million for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$ 19.4 million per year.

2018 House Substitute for Senate Bill 109 provided for additional funding for 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.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

2019 Senate Bill 9 authorized a payment of \$ 115 million for the KPERS School group.

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 \$ 376,090 for the year ended June 30, 2020.

Net Pension Liability

At June 30, 2020, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 3,778,246. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. 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, 2019. 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 - Other Post-Employment Benefits

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

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

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

8 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2020. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	At-Risk 4-Year-Old	K.S.A. 72-6428	\$ 45,000
General	At-Risk K-12	K.S.A. 72-6428	95,000
General	Capital Outlay	K.S.A. 72-6428	66,170
General	Food Service	K.S.A. 72-6428	60,000
General	Special Education	K.S.A. 72-6428	794,426
General	Vocational Education	K.S.A. 72-6428	10,000
Supplemental General	At-Risk 4-Year-Old	K.S.A. 72-6433	17,500
Supplemental General	At-Risk K-12	K.S.A. 72-6433	201,056
Supplemental General	Professional Development	K.S.A. 72-6433	18,400
Supplemental General	Parent Education Program	K.S.A. 72-6433	6,000
Supplemental General	Special Education	K.S.A. 72-6433	224,895
Supplemental General	Vocational Education	K.S.A. 72-6433	80,000
			\$ 1,618,447

9 - 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.

10 - Contingency

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.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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, 2020, 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, 2020

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	\$ 4,248,357	\$ (133,967)	\$ 70,478	\$ 4,184,868	\$ 4,184,868	\$ -
Supplemental general fund	1,302,691	(41,002)	22,984	1,284,673	1,284,673	-
Special purpose funds:						
Capital outlay	590,500	-	-	590,500	254,081	(336,419)
Driver training	23,225	-	-	23,225	1,316	(21,909)
Food service	287,835	-	-	287,835	287,118	(717)
Professional development	27,880	-	-	27,880	18,932	(8,948)
Special education	1,110,123	-	-	1,110,123	1,035,007	(75,116)
Extraordinary school program	27,525	-	-	27,525	14,359	(13,166)
Vocational education	162,150	-	-	162,150	109,893	(52,257)
Federal grants	125,992	-	-	125,992	100,992	(25,000)
KPERs special retirement contribution	527,346	-	-	527,346	437,781	(89,565)
At-risk K-12	307,025	-	-	307,025	296,605	(10,420)
At-risk 4 year-old	68,275	-	-	68,275	62,339	(5,936)
Parent education program	10,000	-	-	10,000	6,000	(4,000)
Gifts and grants	19,572	-	-	19,572	9,585	(9,987)
Bond and interest fund	204,388	-	-	204,388	204,388	-
Totals	<u>\$ 9,042,884</u>	<u>\$ (174,969)</u>	<u>\$ 93,462</u>	<u>\$ 8,961,377</u>	<u>\$ 8,307,937</u>	

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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Mineral production tax	\$ 7	\$ 9	\$ 2
State aid:			
General state aid	3,416,163	3,324,060	(92,103)
Special education aid	832,187	790,321	(41,866)
Reimbursed expenses	-	70,478	70,478
Total cash receipts	\$ 4,248,357	4,184,868	\$ (63,489)
Expenditures, encumbrances, and transfers:			
Instruction	\$ 2,052,690	1,900,945	\$ (151,745)
Student support services	100,300	124,341	24,041
Instructional support staff	37,930	37,836	(94)
General administration	264,200	276,224	12,024
School administration	274,300	277,116	2,816
Operations and maintenance	262,200	255,616	(6,584)
Transportation	288,550	240,498	(48,052)
Other support services	2,000	1,696	(304)
Transfers out	966,187	1,070,596	104,409
Budget adjustment to comply with legal maximum	(133,967)		133,967
Budget adjustment for qualifying budget credits	70,478		(70,478)
Total expenditures, encumbrances, and transfers	\$ 4,184,868	4,184,868	\$ -
Cash receipts over expenditures, encumbrances, and transfers		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ -	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	\$ 395,365	\$ 418,242	\$ 22,877
Delinquent tax	4,015	7,813	3,798
Motor vehicle tax	50,893	59,416	8,523
Recreational vehicle tax	914	1,121	207
16/20M truck tax	848	5,948	5,100
State aid	792,297	767,359	(24,938)
Reimbursements	-	22,984	22,984
Total cash receipts	<u>\$ 1,244,332</u>	<u>1,282,883</u>	<u>\$ 38,551</u>
Expenditures, encumbrances, and transfers:			
Instruction	\$ 202,150	189,275	\$ (12,875)
Student support services	32,200	27,829	(4,371)
Instructional support staff	6,000	11,410	5,410
General administration	130,000	131,211	1,211
School administration	10,500	7,631	(2,869)
Central services	15,000	15,477	477
Operations and maintenance	357,885	353,934	(3,951)
Transportation	-	55	55
Transfers out	548,956	547,851	(1,105)
Budget adjustment to comply with legal maximum	(41,002)		41,002
Budget adjustment for qualifying budget credits	22,984		(22,984)
Total expenditures, encumbrances, and transfers	<u>\$ 1,284,673</u>	<u>1,284,673</u>	<u>\$ -</u>
Cash receipts under expenditures, encumbrances, and transfers		(1,790)	
Unencumbered cash, beginning		58,358	
Unencumbered cash, ending		<u>\$ 56,568</u>	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Interest on idle funds	\$ 24,000	\$ 7,830	\$ (16,170)
Taxes and shared revenue:			
Ad valorem property tax	151,945	157,716	5,771
Delinquent tax	1,442	2,111	669
Motor vehicle tax	9,729	10,667	938
Recreational vehicle tax	174	238	64
16/20M truck tax	162	754	592
State aid	87,628	87,639	11
Transfers in	-	66,170	66,170
Miscellaneous	2,000	14,088	12,088
	<u>\$ 277,080</u>	<u>347,213</u>	<u>\$ 70,133</u>
Total cash receipts and transfers			
Expenditures and encumbrances:			
Instruction	\$ 45,000	-	\$ (45,000)
General administration	2,000	-	(2,000)
Central services	3,500	-	(3,500)
Operations and maintenance	135,000	47,825	(87,175)
Transportation	165,000	148,264	(16,736)
Site acquisition and improvement	240,000	57,992	(182,008)
	<u>\$ 590,500</u>	<u>254,081</u>	<u>\$ (336,419)</u>
Total expenditures and encumbrances			
Cash receipts and transfers over expenditures and encumbrances		93,132	
Unencumbered cash, beginning		347,327	
Adjustment to unencumbered cash for prior year canceled encumbrances		1,288	
Unencumbered cash, ending		\$ 441,747	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts:			
State aid	\$ 3,900	\$ 2,730	\$ (1,170)
Other sources	3,750	3,375	(375)
Total cash receipts	\$ 7,650	6,105	\$ (1,545)
Expenditures:			
Instruction	\$ 22,225	1,316	\$ (20,909)
Vehicle operation	1,000	-	(1,000)
Total expenditures	\$ 23,225	1,316	\$ (21,909)
Cash receipts over expenditures		4,789	
Unencumbered cash, beginning		18,347	
Unencumbered cash, ending		\$ 23,136	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Interest on idle funds	\$ 20,000	\$ 20,000	\$ -
Federal aid	100,454	133,649	33,195
State aid	1,821	2,514	693
Charges for services	80,110	70,242	(9,868)
Transfers in	40,000	60,000	20,000
Reimbursements	2,000	722	(1,278)
Total cash receipts and transfers	\$ 244,385	287,127	\$ 42,742
Expenditures and encumbrances:			
Operations and maintenance	\$ 19,235	23,084	\$ 3,849
Food service operation	268,600	264,034	(4,566)
Total expenditures and encumbrances	\$ 287,835	287,118	\$ (717)
Cash receipts and transfers over expenditures and encumbrances		9	
Unencumbered cash, beginning		45,063	
Unencumbered cash, ending		\$ 45,072	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Reimbursements	\$ -	\$ 95	\$ 95
State aid:			
Professional development aid	2,125	2,988	863
Transfers in	12,000	18,400	6,400
Total cash receipts and transfers	\$ 14,125	21,483	\$ 7,358
Expenditures:			
Instructional support staff	\$ 27,025	18,932	\$ (8,093)
Other support services	855	-	(855)
Total expenditures	\$ 27,880	18,932	\$ (8,948)
Cash receipts and transfers over expenditures		2,551	
Unencumbered cash, beginning		16,331	
Unencumbered cash, ending		\$ 18,882	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Other revenue	\$ 3,147	\$ 14,928	\$ 11,781
Transfers in	1,073,143	1,019,321	(53,822)
Total cash receipts and transfers	\$ 1,076,290	1,034,249	\$ (42,041)
Expenditures:			
Instruction	\$ 1,020,123	974,211	\$ (45,912)
Transportation	90,000	60,796	(29,204)
Total expenditures	\$ 1,110,123	1,035,007	\$ (75,116)
Cash receipts and transfers under expenditures		(758)	
Unencumbered cash, beginning		303,120	
Unencumbered cash, ending		\$ 302,362	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Reimbursements	\$ -	\$ 561	\$ 561
Tuition/class fees	20,000	12,023	(7,977)
Total cash receipts	\$ 20,000	12,584	\$ (7,416)
Expenditures:			
Instruction	\$ 27,525	14,359	\$ (13,166)
Cash receipts under expenditures		(1,775)	
Unencumbered cash, beginning		19,949	
Unencumbered cash, ending		\$ 18,174	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Transfers in	\$ 105,000	\$ 90,000	\$ (15,000)
Carl Perkins grant	3,373	2,057	(1,316)
State aid	11,272	17,469	6,197
Total cash receipts and transfers	\$ 119,645	109,526	\$ (10,119)
Expenditures and encumbrances:			
Instruction	\$ 162,150	109,893	\$ (52,257)
Cash receipts and transfers under expenditures and encumbrances		(367)	
Unencumbered cash, beginning		100,151	
Unencumbered cash, ending		\$ 99,784	

(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, 2020

	Title I	Teacher Quality Title II	REAP	Title IV	Total Actual	Budget	Variance Over (Under)
Cash receipts:							
Federal grants	\$ 45,911	\$ 8,544	\$ 34,788	\$ 11,749	\$ 100,992	\$ 125,992	\$ (25,000)
Expenditures and encumbrances:							
Instruction	45,911	4,665	34,788	4,681	90,045	\$ 120,992	\$ (30,947)
Instructional support staff	-	3,879	-	7,068	10,947	5,000	5,947
Total expenditures and encumbrances	45,911	8,544	34,788	11,749	100,992	\$ 125,992	\$ (25,000)
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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts:			
State aid	\$ 527,346	\$ 437,781	\$ (89,565)
Expenditures:			
Instruction	\$ 365,907	289,689	\$ (76,218)
Support services	20,000	17,538	(2,462)
Instructional support	9,000	4,567	(4,433)
General administration	30,000	26,255	(3,745)
School administration	32,000	32,628	628
Operations and maintenance	30,000	29,162	(838)
Transportation	25,000	24,472	(528)
Food service	15,439	13,470	(1,969)
Total expenditures	\$ 527,346	437,781	\$ (89,565)
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, 2020

	Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 239,000	\$ 296,056	\$ 57,056
Expenditures and encumbrances:			
Instruction	\$ 261,200	254,484	\$ (6,716)
Student support services	45,825	42,121	(3,704)
Total expenditures and encumbrances	\$ 307,025	296,605	\$ (10,420)
Transfers under expenditures and encumbrances		(549)	
Unencumbered cash, beginning		83,631	
Unencumbered cash, ending		\$ 83,082	

(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, 2020

	Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 40,000	\$ 62,500	\$ 22,500
Expenditures and encumbrances:			
Instruction	\$ 68,275	62,339	\$ (5,936)
Transfers over expenditures and encumbrances		161	
Unencumbered cash, beginning		43,013	
Unencumbered cash, ending		\$ 43,174	

(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, 2020

	Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 6,000	\$ 6,000	\$ -
Expenditures:			
Student support services	\$ 10,000	6,000	\$ (4,000)
Transfers over expenditures		-	
Unencumbered cash, beginning		7,500	
Unencumbered cash, ending		\$ 7,500	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Other revenue	\$ 2,000	\$ 4,243	\$ 2,243
State aid	8,745	8,745	-
Total cash receipts	\$ 10,745	12,988	\$ 2,243
Expenditures:			
Instruction	\$ 10,572	840	\$ (9,732)
Operations and maintenance	9,000	8,745	(255)
Total expenditures	\$ 19,572	9,585	\$ (9,987)
Cash receipts over expenditures		3,403	
Unencumbered cash, beginning		9,769	
Unencumbered cash, ending		\$ 13,172	

(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, 2020

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	\$ 118,650	\$ 123,169	\$ 4,519
Delinquent tax	1,443	2,399	956
Motor vehicle tax	13,983	15,978	1,995
Recreational vehicle tax	251	320	69
16/20M truck tax	233	1,441	1,208
State aid	110,370	110,370	-
Total cash receipts	\$ 244,930	253,677	\$ 8,747
Expenditures:			
Principal	\$ 155,000	155,000	\$ -
Interest	49,388	49,388	-
Total expenditures	\$ 204,388	204,388	\$ -
Cash receipts over expenditures		49,289	
Unencumbered cash, beginning		455,346	
Unencumbered cash, ending		\$ 504,635	

(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, 2020

Expenditures:	
Instruction	\$ 5,838
Unencumbered cash, beginning	<u>205,478</u>
Unencumbered cash, ending	<u>\$ 199,640</u>

(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, 2020

Cash receipts:	
Charges for services	<u>\$ 32,386</u>
Expenditures and encumbrances:	
Instruction	5,903
Food service	<u>2,077</u>
Total expenditures and encumbrances	<u>7,980</u>
Cash receipts over expenditures and encumbrances	24,406
Unencumbered cash, beginning	<u>106,962</u>
Unencumbered cash, ending	<u><u>\$ 131,368</u></u>

(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, 2020

Expenditures and encumbrances:	
Site and building improvements	\$ 3,621
Unencumbered cash, beginning	<u>3,621</u>
Unencumbered cash, ending	<u><u>\$ -</u></u>

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS
STUDENT ORGANIZATION FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
Year Ended June 30, 2020

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Middle School:				
Activity	\$ 4,071	\$ 3,966	\$ 5,467	\$ 2,570
Cheerleading	8,550	3,703	3,059	9,194
Coke	4,215	1,181	1,405	3,991
Knowledge bowl	900	265	230	935
Leadership council	384	1,939	2,445	(122)
MS book fair	1,950	3,083	3,082	1,951
Pep club	16,015	75	2,505	13,585
Recycling	456	-	-	456
Subtotal Middle School	36,541	14,212	18,193	32,560
High School:				
Activity	-	470	452	18
Concessions	-	18,219	15,308	2,911
Entrepreneurship	1,368	1,010	538	1,840
FBLA	1,516	3,985	3,553	1,948
Forensics	153	930	220	863
Gifted	382	50	115	317
Junior class	2,565	4,360	3,686	3,239
Letter club	1,511	1,156	1,084	1,583
Music	3,804	36,396	19,966	20,234
National honor society	21	-	-	21
Pep club/cheerleaders	3,839	6,670	2,028	8,481
Scholarbowl	246	700	809	137
Senior class	341	2,290	1,325	1,306
Sophomore class	1,343	1,220	1,921	642
Spanish	294	7,131	3,040	4,385
Speech and drama	3,647	1,814	709	4,752
STUCO	3,739	2,147	2,233	3,653
Volleyball letter club	1,178	534	569	1,143
Wellness program	88	20	91	17
Yearbook	2,570	4,807	4,926	2,451
Subtotal High School	28,605	93,909	62,573	59,941
Total student organization funds	\$ 65,146	\$ 108,121	\$ 80,766	\$ 92,501

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, 2020

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	\$ 21,414	\$ -	\$ 24,491	\$ 25,190	\$ 20,715	\$ -	\$ 20,715



Certified Public Accountants

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, 2020 and the related notes to the financial statement and have issued our report thereon dated October 30, 2020. 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 statements. 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.

October 30, 2020
Topeka, Kansas