Unified School District Number 214

Ulysses, Kansas

For the Year Ended June 30, 2021

Unified School District Number 214
Ulysses, Kansas
Financial Statement
For the Year Ended June 30, 2021

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Dirks, Anthony & Duncan, LLC
Certified Public Accountants & Management Consultants
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INDEPENDENT AUDITOR'S REPORT

Superintendent and Board of Education
Unified School District Number 214
Ulysses, Kansas 67880

We have audited the accompanying fund summary statement of regulatory receipts, expenditures, and unencumbered cash of Unified School District Number 214, Ulysses, Kansas, as of and for the year ended June 30, 2021 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement
Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide, as described in Note 1; 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 the financial statement that is free from material misstatement, whether due to fraud or error.

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

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

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles
As described in Note 1 to the financial statement, the financial statement is prepared by Unified School District Number 214 on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District Number 214 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 Unified School District Number 214 as of June 30, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters
Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of receipts and expenditures, schedule of receipts and cash disbursements (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide.* 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 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District Number 214, as of and for the year ended June 30, 2020, and have issued our reported thereon dated December 21, 2020, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://admin.ks.gov/offices/chief-financial-officer/municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2020 (Schedule 2 as listed in the table of contents) is presented for the purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2020, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the Unified School District Number 214's basic financial statement. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying

accounting and other records used to prepare the basic financial statement. 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 themselves, 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 basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 10, 2022, on our consideration of the Unified School District Number 214'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 Unified School District Number 214'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 Unified School District Number 214's internal control over financial reporting and compliance.

Dirks, Anthony & Duncan L.L.C

DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

January 10, 2022

Unified School District Number 214

Ulysses, Kansas

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Unified School District Number 214
Ulysses, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2021

Fund	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	$ -	$ 11,549,135	$ 11,549,135	$ -	$ 264,381	$ 264,381
Supplemental General	162,445	3,504,977	3,488,710	178,712	30,253	208,965
Special Purpose Funds:						
KPERS Special Retirement	-	1,376,652	1,376,652	-	-	-
Adult Education	71,071	45,490	47,486	69,075	1,614	70,689
Preschool-Aged At-Risk	119,781	115,000	113,340	121,441	-	121,441
At-Risk (K-12)	255,643	2,180,000	2,179,864	255,779	7,367	263,146
Bilingual Education	147,054	375,000	372,107	149,947	18,820	168,767
Virtual Education	293,125	81,670	60,590	314,205	-	314,205
Capital Outlay	3,088,464	1,316,263	1,553,140	2,851,587	951,079	3,802,666
Driver Training	67,001	16,020	16,644	66,377	246	66,623
Food Service	233,085	1,109,065	1,098,502	243,648	66,650	310,298
Professional Development	94,030	51,699	47,983	97,746	-	97,746
Special Education	932,508	1,597,917	1,536,423	994,002	-	994,002
Career and Postsecondary Education	201,438	365,000	365,144	201,294	6,892	208,186
Contingency Reserve	1,022,531	50,000	-	1,072,531	-	1,072,531
Rec. Commission - General	58,837	848,022	835,000	71,859	-	71,859
Rec. Commission - Emp. Benefits	17,562	204,000	200,000	21,562	-	21,562
Textbook Rental	413,172	73,763	58,503	428,432	13,568	442,000
Health Insurance	1,612,388	1,448,092	1,537,587	1,522,893	-	1,522,893
State, Federal and Other Grants	17,497	953,198	938,214	32,481	38,004	70,485
District Activity	79,626	249,378	239,466	89,538	-	89,538
Debt Service Fund:						
Bond & Interest	138,819	-	-	138,819	-	138,819
Total Primary Government	$ 9,026,077	$ 27,510,341	$ 27,614,490	$ 8,921,928	$ 1,398,874	$ 10,320,802

Composition Of Cash	
Demand Deposits	$ 888,974
Money Markets	9,559,458
Total Cash	$ 10,448,432
Agency Funds Per Schedule 4	(127,630)
Total Reporting Entity (Excluding Agency Funds)	$ 10,320,802

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

Unified School District Number 214

Ulysses, Kansas

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UNIFIED SCHOOL DISTRICT NUMBER 214
Ulysses, Kansas
Notes to the Financial Statement
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial Reporting Entity

Unified School District Number 214, Ulysses, Kansas, operates as a municipal corporation in accordance with the laws of the State of Kansas. The District is governed by an elected seven-member board. This regulatory financial statement presents Unified School District Number 214 (the District), the municipality but does not include its related municipal entities. The related municipal entity, which was established to benefit the District and/or its constituents, has been elected by the board not to be included in the District's reporting entity.

Component Unit

1. *Grant County Recreation Commission* - The Recreation Commission Board operates recreation activities in Ulysses. It is not a separate taxing entity under Kansas Statutes, and the District levies taxes for the recreation operations and recreation employee benefits which represent a significant portion of its total revenues. Complete financial records of the Recreation Commission may be viewed at the administrative offices of the entity at 204 E Wheat Ave, Ulysses, KS 67880.

b) Regulatory Basis Fund Types

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long- term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

Business Funds – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.)

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

c) Basis of Accounting

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

d) Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper 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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendment for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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 capital projects funds, trust funds and the following special purpose funds:

Contingency Reserve Fund, Textbook Rental Fund, Health Care Fund, and State, Federal and Other Grant 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.

e) Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly reflected as offset by the reimbursements. Expenditures for the year ended June 30, 2021, in the amount of $4,767 are classified as reimbursed expenses in the General Fund. These expenditures are for general purposes and are exempt from the budget law under K.S.A. 72-5390.

NOTE 2 – 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, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements;

NOTE 2 – DEPOSITS AND INVESTMENTS, CONTINUED

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.

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. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The District does not use designated "peak periods".

At June 30, 2021 the carrying amount of the District's deposits, including certificates of deposit, was $10,320,802 and the bank balance was $11,220,158. The bank balance was held by three banks. Approximately 99.9% of the bank balance was held in two of the banks, resulting in a concentration of credit risk. Of the bank balance, $515,287 was covered by federal depository insurance, and the remaining $10,704,871 was collateralized with securities held by the pledging financial institution's agents in the District's name.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments of this type at June 30, 2021.

NOTE 3 – RETIREMENT PLAN

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.15% and 14.41%, respectively, for the fiscal year ended June 30, 2020. The actuarially determined employer contribution rate and the statutory contribution rate was 15.59% and 14.23% for the fiscal year ended June 30, 2021.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. The 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

NOTE 3 – RETIREMENT PLAN, CONTINUED

$194.0 million in fiscal year 2019 contributions. Payment is schedule 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 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 of retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $592,025 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 $14,227,904. 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 contribution 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 the financial statement.

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

NOTE 4 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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.

Sick Leave. District employees who regularly work more than thirty-five hours per week earn between ten and sixty days. Classified employees may accumulate unused sick leave from previous years up to sixty days. Certified staff accumulates all of the prior year's sick leave, plus 10 days up to a maximum of sixty days. Employees have the right to donate up to two of his/her sick leave days to another employee of the district in each contract period.

Personal Days. All full-time employees, excluding school nurses, defined as working either thirty hours or over, receive one personal business day per year, accumulative to two during the fiscal year. School Nurses, also considered full-time, are granted two personal days, accumulative to three. Personal days of certified staff may be paid out at $100 a day with up to one personal day being carried over into the next contract year.

Vacation Days. Classified staff, the Superintendent and the Assistant Superintendent are eligible for vacation days. Classified staff receive vacation days range from 10 to 20 days based on years of service with the District. The Superintendent and/or Assistant Superintendent's vacation days, which range from 15 to 25 days, is based upon years of experience. Accumulated vacation is paid to employees upon termination, retirement or resignation. The liability for accumulated vacation pay is not shown on this financial statement in accordance with a statutory based financial statement.

NOTE 4 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS, CONTINUED

Any vacation day carried over from preceding contract year that is not used by June 30th of the current contract year shall be forfeited.

Bereavement Leave. Each certified employee may use his/her sick days for reason of death of immediate family member. In the case of a death of a non-immediate family member, personal leave may be used.

Payment for Unused Sick Leave. The Board of Education shall pay each teacher upon retirement under KPERS, in the case of a disability that would prevent continued employment by the district, or the teacher's beneficiaries in the event of the teacher's death.

Termination Benefits. Eligible employees of USD 214, who are prior to the age of 65, may elect to resign or retire with termination benefits. The employee shall be entitled to no more than three years of benefits and the benefits shall terminate in the event of death and no payment shall be made by the beneficiary. The district will not make early retirement incentive payments to any employee who has not already begun receiving retirement benefits from KPERS. Eligible employees must be a current full-time employee, and have twenty or more years employment service with USD 214 and has reached age 58. The maximum amount of payment will be $8,000 each year for three years.

NOTE 5 – IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $725,974 subsequent to June 30, 2021 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2021.

NOTE 6 – INTERFUND TRANSFERS

Interfund operating transfers are as follows:

Fund Transferred Out:	Fund Transferred To:	Statutory Authority	Amount
General	Virtual Education	K.S.A. 72-6428	$ 81,670
General	Bilingual Education	K.S.A. 72-6428	225,000
General	Professional Development	K.S.A. 72-6428	32,983
General	Adult Education	K.S.A. 72-6428	45,000
General	Special Education	K.S.A. 72-6428	1,185,112
General	Career and Postsecondary Education	K.S.A. 72-6428	265,000
General	Contingency Reserve	K.S.A. 72-6428	50,000
General	Preschool-Aged At-Risk	K.S.A. 72-6428	115,000
General	At-Risk (K-12)	K.S.A. 72-6428	1,575,000
Supplemental General	Bilingual Education	K.S.A. 72-6428	150,000
Supplemental General	Driver's Education	K.S.A. 72-6428	8,000
Supplemental General	Food Service	K.S.A. 72-6428	33,000
Supplemental General	Professional Development	K.S.A. 72-6428	7,589
Supplemental General	Special Education	K.S.A. 72-6428	350,000
Supplemental General	Career and Postsecondary	K.S.A. 72-6428	100,000
Supplemental General	Textbook	K.S.A. 72-6428	40,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6428	605,000

NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, Kansas Department of Administration, and Interpretation by legal repetition of the Municipality.

There are no cash law violation or budget law violations for the year ending June 30, 2021.

NOTE 8 – CLAIMS, JUDGEMENTS AND RISK MANAGEMENT

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that any disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

During the ordinary course of its operation the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material impact on the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage in the 2021 fiscal year, and there were no settlements that exceeded insurance coverage in the past three years.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. Management’s evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

Unified School District Number 214

Ulysses, Kansas

Regulatory Required Supplemental Information

Unified School District Number 214

Ulysses, Kansas

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Unified School District Number 214
Ulysses, Kansas
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)
Regulatory Basis
Budgeted Funds Only
For the Year Ended June 30, 2021

Fund	Certified Budget	Adjustment to comply with Legal Maximum	Adjustment for Qualifying Budget Credits & Remit to State	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:						
General	$ 11,746,851	$ (202,483)	$ 4,767	$ 11,549,135	$ 11,549,135	$ -
Supplemental General	3,531,240	(42,530)	-	3,488,710	3,488,710	-
Special Purpose Funds:						
KPERS Special Retirement	1,580,482			1,580,482	1,376,652	(203,830)
Adult Education	121,070			121,070	47,486	(73,584)
Preschool-Aged At-Risk	229,781			229,781	113,340	(116,441)
At-Risk (K-12)	2,310,643			2,310,643	2,179,864	(130,779)
Bilingual Education	487,054			487,054	372,107	(114,947)
Virtual Education	388,125			388,125	60,590	(327,535)
Capital Outlay	3,946,982		310,741	4,257,723	1,553,140	(2,704,583)
Driver Training	75,251			75,251	16,644	(58,607)
Food Service	1,086,501			1,086,501	1,098,502	12,001
Professional Development	184,030			184,030	47,983	(136,047)
Special Education	2,417,871			2,417,871	1,536,423	(881,448)
Career and Postsecondary Education	566,438			566,438	365,144	(201,294)
Rec. Commission - General	835,000			835,000	835,000	-
Rec. Commission - Emp. Benefits	200,000			200,000	200,000	-
Debt Service Fund:						
Bond & Interest	-			-	-	-

Schedule 2-1

Unified School District Number 214
Ulysses, Kansas
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
State Aid	$ 10,363,276	$ 10,579,483	$ 10,706,689	$ (127,206)
Mineral Production Tax	44,095	29,773	35,032	(5,259)
Special Education Aid	922,827	935,112	1,005,130	(70,018)
Federal Aid- Reimbursement	-	100	-	100
State Aid - Reimbursement	6,704	4,667	-	4,667
Total Receipts	11,336,902	11,549,135	$ 11,746,851	$ (197,716)
Expenditures				
Instruction	4,347,872	4,239,371	4,477,721	(238,350)
Student Support Services	326,718	313,806	337,000	(23,194)
Instructional Support Staff	208,493	221,685	232,500	(10,815)
General Administration	508,988	480,963	549,000	(68,037)
School Administration	1,097,810	1,087,386	1,134,500	(47,114)
Central Services	342,457	362,493	355,000	7,493
Operations and Maintenance	889,074	895,590	922,500	(26,910)
Student Transportation Services	344,008	373,076	373,500	(424)
Operating Transfers	3,271,482	3,574,765	3,365,130	209,635
Adjustment to Comply with Legal Max			(202,483)	202,483
Legal General Fund Budget	11,336,902	11,549,135	11,544,368	4,767
Adjustment for Qualifying Budget Credits	-	-	4,767	(4,767)
Total Expenditures	11,336,902	11,549,135	$ 11,549,135	-
Receipts Over (Under) Expenditures	-	-		$ (197,716)
Unencumbered Cash, July 1	-	-		
Unencumbered Cash, June 30	$ -	$ -		

Unified School District Number 214
Ulysses, Kansas
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Tax in Process	$ 26,006	$ 25,052	$ 33,595	$ (8,543)
Current Tax	2,256,855	2,316,655	2,376,749	(60,094)
Delinquent Tax	28,389	38,717	11,574	27,143
Motor Vehicle Tax Collections	184,073	177,174	130,625	46,549
Recreational Vehicle Tax Collections	2,617	3,683	2,245	1,438
Supplemental State Aid	948,262	943,696	955,200	(11,504)
Total Receipts	3,446,202	3,504,977	$ 3,509,988	$ (5,011)
Expenditures				
Instruction	1,028,784	1,110,394	1,043,000	67,394
Student Support Services	20,355	22,342	25,000	(2,658)
General Administration	102,667	137,889	109,507	28,382
School Administration	210,494	208,731	225,000	(16,269)
Operations and Maintenance	681,559	676,611	717,500	(40,889)
Student Transportation Services	33,764	39,154	41,000	(1,846)
Operating Transfers	1,411,200	1,293,589	1,370,233	(76,644)
Adjustment to Comply With Legal max			(42,530)	42,530
Total Expenditures	3,488,823	3,488,710	$ 3,488,710	-
Receipts Over (Under) Expenditures	(42,621)	16,267		$ (5,011)
Unencumbered Cash, July 1	205,066	162,445		
Unencumbered Cash, June 30	$ 162,445	$ 178,712		

Schedule 2-3

Unified School District Number 214
Ulysses, Kansas
KPERS Special Retirement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
State Revenue	$ 1,461,380	$ 1,376,652	$ 1,580,482	$ (203,830)
Total Receipts	1,461,380	1,376,652	$ 1,580,482	$ (203,830)
Expenditures				
Employee Benefits	1,461,380	1,376,652	1,580,482	(203,830)
Total Expenditures	1,461,380	1,376,652	$ 1,580,482	(203,830)
Receipts Over (Under) Expenditures	-	-		$ -
Unencumbered Cash, July 1	-	-		
Unencumbered Cash, June 30	$ -	$ -		

Unified School District Number 214
Ulysses, Kansas
Adult Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Transfers In	$ 55,000	$ 45,000	$ 50,000	$ (5,000)
Miscellaneous Revenue	1,940	490	-	490
Total Receipts	56,940	45,490	$ 50,000	$ (4,510)
Expenditures				
Instruction	55,170	46,643	113,070	(66,427)
Student Support Services	881	843	5,000	(4,157)
Operations & Maintenance	1,121	-	3,000	(3,000)
Total Expenditures	57,172	47,486	$ 121,070	(73,584)
Receipts Over (Under) Expenditures	(232)	(1,996)		$ 69,074
Unencumbered Cash, July 1	71,303	71,071		
Unencumbered Cash, June 30	$ 71,071	$ 69,075		

Schedule 2-5

Unified School District Number 214
Ulysses, Kansas
Preschool-Aged At-Risk Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Transfers In	$ 105,500	$ 115,000	$ 110,000	$ 5,000
Total Receipts	105,500	115,000	$ 110,000	$ 5,000
Expenditures				
Instruction	105,818	113,340	229,781	(116,441)
Total Expenditures	105,818	113,340	$ 229,781	(116,441)
Receipts Over (Under) Expenditures	(318)	1,660		$ 121,441
Unencumbered Cash, July 1	120,099	119,781		
Unencumbered Cash, June 30	$ 119,781	$ 121,441		

Unified School District Number 214
Ulysses, Kansas
At-Risk Fund (K-12)
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Transfers In	$ 2,115,000	$ 2,180,000	$ 2,055,000	$ 125,000
Miscellaneous	4,387	-	-	-
Total Receipts	2,119,387	2,180,000	$ 2,055,000	$ 125,000
Expenditures				
Instruction	2,117,407	2,178,308	2,309,643	(131,335)
Instructional Support Staff	927	1,556	1,000	556
Total Expenditures	2,118,334	2,179,864	$ 2,310,643	(130,779)
Receipts Over (Under) Expenditures	1,053	136		$ 255,779
Unencumbered Cash, July 1	254,590	255,643		
Unencumbered Cash, June 30	$ 255,643	$ 255,779		

Schedule 2-7

Unified School District Number 214
Ulysses, Kansas
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Transfers In	$ 388,000	$ 375,000	$ 340,000	$ 35,000
Total Receipts	388,000	375,000	$ 340,000	$ 35,000
Expenditures				
Instruction	388,244	372,107	487,054	(114,947)
Total Expenditures	388,244	372,107	$ 487,054	(114,947)
Receipts Over (Under) Expenditures	(244)	2,893		$ 149,947
Unencumbered Cash, July 1	147,298	147,054		
Unencumbered Cash, June 30	$ 147,054	$ 149,947		

Unified School District Number 214
Ulysses, Kansas
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Transfers In	$ 93,150	$ 81,670	$ 95,000	$ (13,330)
Total Receipts	93,150	81,670	$ 95,000	$ (13,330)
Expenditures				
Instruction	59,762	55,507	388,125	(332,618)
Operations and Maintenance	-	5,083	-	5,083
Total Expenditures	59,762	60,590	$ 388,125	(327,535)
Receipts Over (Under) Expenditures	33,388	21,080		$ 314,205
Unencumbered Cash, July 1	259,737	293,125		
Unencumbered Cash, June 30	$ 293,125	$ 314,205		

Schedule 2-9

Unified School District Number 214
Ulysses, Kansas
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Tax in Process	$ 8,463	$ 8,438	$ 9,146	$ (708)
Current Tax	762,151	753,657	732,349	21,308
Delinquent Tax	8,676	7,985	3,899	4,086
Motor Vehicle Tax	56,517	63,109	43,005	20,104
Recreation Vehicle Tax	1,060	1,211	740	471
Interest	49,219	13,910	-	13,910
Donations	20,000	-	-	-
Sale of Equipment	22,177	62,612	-	62,612
Insurance Claims	-	13,043	-	13,043
SPARKS Grant - Reimbursement	-	303,073	-	303,073
Rental Income	13,800	7,668	-	7,668
Miscellaneous	13,791	17,073	-	17,073
State Aid	38,953	64,484	69,380	(4,896)
Total Receipts	994,807	1,316,263	$ 858,519	$ 457,744
Expenditures				
Instruction	264,284	485,761	500,000	(14,239)
Student Support Services	7,430	-	50,000	(50,000)
General Administration	-	186,913	-	186,913
Operations and Maintenance	-	1,670	13,361	(11,691)
Transportation	107,966	82,595	500,000	(417,405)
Site Improvements	55,744	59,214	1,383,621	(1,324,407)
Building Improvements	629,686	736,987	1,500,000	(763,013)
Legal Capital Outlay Budget	1,065,110	1,553,140	3,946,982	(2,393,842)
Adjustment for Qualifying Budget Credits			310,741	(310,741)
Total Expenditures	1,065,110	1,553,140	4,257,723	(2,704,583)
Receipts Over (Under) Expenditures	(70,303)	(236,877)		$ 3,162,327
Unencumbered Cash, July 1	3,158,767	3,088,464		
Unencumbered Cash, June 30	$ 3,088,464	$ 2,851,587		

Unified School District Number 214
Ulysses, Kansas
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
State Aid	$ 10,140	$ 2,142	$ 8,250	$ (6,108)
Student Fees	2,053	5,878	-	5,878
Transfer In	-	8,000	-	8,000
Total Receipts	12,193	16,020	$ 8,250	$ 7,770
Expenditures				
Instruction	5,536	16,644	72,751	(56,107)
Vehicle Operating Maintenance	731	-	2,500	(2,500)
Total Expenditures	6,267	16,644	$ 75,251	(58,607)
Receipts Over (Under) Expenditures	5,926	(624)		$ 66,377
Unencumbered Cash, July 1	61,075	67,001		
Unencumbered Cash, June 30	$ 67,001	$ 66,377		

Schedule 2-11

Unified School District Number 214
Ulysses, Kansas
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Federal Aid	$ 723,767	$ 1,034,142	$ 611,841	$ 422,301
State Aid	8,382	9,747	7,268	2,479
Charges for Services	154,320	24,630	194,307	(169,677)
Miscellaneous Revenue	5,124	7,546	-	7,546
Transfers In	40,000	33,000	40,000	(7,000)
Total Receipts	931,593	1,109,065	$ 853,416	$ 255,649
Expenditures				
Operations and Maintenance	6,214	1,527	7,500	(5,973)
Food Service Operation	932,784	1,096,975	1,079,001	17,974
Total Expenditures	938,998	1,098,502	$ 1,086,501	12,001
Receipts Over (Under) Expenditures	(7,405)	10,563		$ 243,648
Unencumbered Cash, July 1	240,490	233,085		
Unencumbered Cash, June 30	$ 233,085	$ 243,648		

Unified School District Number 214
Ulysses, Kansas
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
State Aid	$ 10,255	$ 10,723	$ 15,000	$ (4,277)
Transfers In	74,505	40,572	75,000	(34,428)
Miscellaneous Revenue	947	404	-	404
Total Receipts	85,707	51,699	$ 90,000	$ (38,301)
Expenditures				
Instructional Support Staff	82,838	47,983	184,030	(136,047)
Total Expenditures	82,838	47,983	$ 184,030	(136,047)
Receipts Over (Under) Expenditures	2,869	3,716		$ 97,746
Unencumbered Cash, July 1	91,161	94,030		
Unencumbered Cash, June 30	$ 94,030	$ 97,746		

Schedule 2-13

Unified School District Number 214
Ulysses, Kansas
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
General Fund Transfer of State Aid	$ 922,827	$ 935,112	$ 1,005,130	$ (70,018)
ESSER - CARES Act Revenue	-	16,542	-	16,542
Transfers In	408,700	600,000	480,233	119,767
Medicaid Reimbursement	36,142	46,263	-	46,263
Total Receipts	1,367,669	1,597,917	$ 1,485,363	$ 112,554
Expenditures				
Instruction	1,455,042	1,524,471	2,400,871	(876,400)
Vehicle Operating Services	10,611	8,435	11,500	(3,065)
Vehicle Service & Maintenance	3,449	3,517	5,500	(1,983)
Total Expenditures	1,469,102	1,536,423	$ 2,417,871	(881,448)
Receipts Over (Under) Expenditures	(101,433)	61,494		$ 994,002
Unencumbered Cash, July 1	1,033,941	932,508		
Unencumbered Cash, June 30	$ 932,508	$ 994,002		

Unified School District Number 214
Ulysses, Kansas
Career and Post Secondary Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
State Aid	$ 38	$ -	$ -	$ -
Transfers In	360,000	365,000	365,000	-
Total Receipts	360,038	365,000	$ 365,000	$ -
Expenditures				
Instruction	356,004	358,249	546,438	(188,189)
Central Services	252	1,143	500	643
Operations and Maintenance	2,493	5,752	19,500	(13,748)
Total Expenditures	358,749	365,144	$ 566,438	(201,294)
Receipts Over (Under) Expenditures	1,289	(144)		$ 201,294
Unencumbered Cash, July 1	200,149	201,438		
Unencumbered Cash, June 30	$ 201,438	$ 201,294		

Schedule 2-15

Unified School District Number 214
Ulysses, Kansas
Contingency Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020	2021
Receipts		
Transfers In	$ -	$ 50,000
Total Receipts	-	50,000
Expenditures		
Operations and Maintenance	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	50,000
Unencumbered Cash, July 1	1,022,531	1,022,531
Unencumbered Cash, June 30	$ 1,022,531	$ 1,072,531

Unified School District Number 214
Ulysses, Kansas
Recreation Commission - General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Tax in Process	$ 10,152	$ 10,125	$ 13,466	$ (3,341)
Current Tax	912,162	751,438	732,310	19,128
Delinquent Tax	10,143	9,285	4,678	4,607
Motor Vehicle Tax	67,811	75,716	51,587	24,129
Recreational/Rental Vehicle Tax	1,272	1,458	887	571
Total Receipts	1,001,540	848,022	$ 802,928	$ 45,094
Expenditures				
Community Service Operations	1,010,000	835,000	835,000	-
Total Expenditures	1,010,000	835,000	$ 835,000	-
Receipts Over (Under) Expenditures	(8,460)	13,022		$ 45,094
Unencumbered Cash, July 1	67,297	58,837		
Unencumbered Cash, June 30	$ 58,837	$ 71,859		

Schedule 2-17

Unified School District Number 214
Ulysses, Kansas
Recreation Commission - Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Tax in Process	$ 2,828	$ 2,936	$ 3,886	$ (950)
Current Tax	264,525	176,591	172,028	4,563
Delinquent Tax	2,888	2,611	1,357	1,254
Motor Vehicle Tax	19,370	21,450	14,568	6,882
Recreational Vehicle Tax/Excise Tax	365	412	251	161
Total Receipts	289,976	204,000	$ 192,090	$ 11,910
Expenditures				
Community Service Operations	290,000	200,000	200,000	-
Total Expenditures	290,000	200,000	$ 200,000	-
Receipts Over (Under) Expenditures	(24)	4,000		$ 11,910
Unencumbered Cash, July 1	17,586	17,562		
Unencumbered Cash, June 30	$ 17,562	$ 21,562		

Unified School District Number 214
Ulysses, Kansas
Bond & Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020 Actual	2021 Actual	2021 Budget	Variance Over (Under)
Receipts				
Taxes	$ 2	$ -	$ -	$ -
Total Receipts	2	-	$ -	$ -
Expenditures				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	$ -	-
Receipts Over (Under) Expenditures	2	-		$ -
Unencumbered Cash, July 1	138,817	138,819		
Unencumbered Cash, June 30	$ 138,819	$ 138,819		

Schedule 2-19

Unified School District Number 214
Ulysses, Kansas
Textbook Rental Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020	2021
Receipts		
Textbook Rentals	$ 31,370	$ 33,763
Miscellaneous Revenue	3,905	-
Transfers In	120,000	40,000
Total Receipts	155,275	73,763
Expenditures		
Textbook Purchases	155,639	58,503
Total Expenditures	155,639	58,503
Receipts Over (Under) Expenditures	(364)	15,260
Unencumbered Cash, July 1	413,536	413,172
Unencumbered Cash, June 30	$ 413,172	$ 428,432

Unified School District Number 214
Ulysses, Kansas
Health Care Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021
(With Comparative Actual Totals for the Prior Year Ended June 30, 2020)

	2020	2021
Receipts		
Health Care Premiums	$ 1,614,862	$ 1,448,092
Total Receipts	1,614,862	1,448,092
Expenditures		
Insurance Premiums	1,347,685	1,537,587
Total Expenditures	1,347,685	1,537,587
Receipts Over (Under) Expenditures	267,177	(89,495)
Unencumbered Cash, July 1	1,345,211	1,612,388
Unencumbered Cash, June 30	$ 1,612,388	$ 1,522,893

Schedule 2-21

Unified School District Number 214
Ulysses, Kansas
State, Federal and Other Grant Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021

	Gifts and Grants	KMS GCCF Grant	Youth Civic Engagement Grant	Drive 4 UR School	Tigers in Action	ESSER/ CARES Act	ESSER II	2017 Sullivan Focus School	Teacher Recruite-ment
Receipts									
Federal Grants	$ -	$ -	$ -	$ -	$ -	$254,442	$ -	$ -	$ -
Other Agencies/Misc.	224	1,720	-	-	-	-	-	-	25
Total Receipts	224	1,720	-	-	-	254,442	-	-	25
Expenditures									
Instruction	-	-	1,300	-	-	202,063	24,269	-	95
Student Support Services	-	-	-	-	33	36,906	-	-	-
Instructional Support Staff	-	1,720	-	-	-	-	-	-	-
General Administration	-	-	-	-	-	-	-	-	-
Operations and Maintenance	-	-	-	-	-	15,473	-	-	-
Total Expenditures	-	1,720	1,300	-	33	254,442	24,269	-	95
Receipts Over (Under) Exp.	224	-	(1,300)	-	(33)	-	(24,269)	-	(70)
Unencumbered Cash, July 1	-	-	-	7,572	1,272	-	-	5,584	3,940
Unencumbered Cash, June 30	$ 224	$ -	$ (1,300)	$ 7,572	$ 1,239	$ -	$(24,269)	$5,584	$ 3,870

Unified School District Number 214
Ulysses, Kansas
State, Federal and Other Grant Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2021

Schedule 2-21

	SWKLinks Grant	Title I Low Income	Title I Migrant	Supporting Effective Instruction	English Language Acquisition	ESSA	21st Century AfterSch	Totals
Receipts								
Federal Grants	$ 93,616	$ 325,685	$85,500	$ 58,135	$ 44,324	$24,037	$65,490	$951,229
Other Agencies/Misc.	-	-	-	-	-	-	-	1,969
Total Receipts	93,616	325,685	85,500	58,135	44,324	24,037	65,490	953,198
Expenditures								
Instruction	54,236	297,892	47,085	58,693	40,988	24,037	69,875	820,533
Student Support Services	-	24,644	38,415	-	-	-	-	99,998
Instructional Support Staff	-	-	-	-	-	-	-	1,720
General Administration	-	-	-	490	-	-	-	490
Operations and Maintenance	-	-	-	-	-	-	-	15,473
Total Expenditures	54,236	322,536	85,500	59,183	40,988	24,037	69,875	938,214
Receipts Over (Under) Exp.	39,380	3,149	-	(1,048)	3,336	-	(4,385)	14,984
Unencumbered Cash, July 1	2,180	(2,627)	-	373	(684)	-	(113)	17,497
Unencumbered Cash, June 30	$ 41,560	$ 522	$ -	$ (675)	$ 2,652	$ -	$ (4,498)	$ 32,481

Schedule 3

Unified School District Number 214
Ulysses, Kansas
District Activity Funds
Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
High School	$ 44	$ 46,700	$ 42,620	$ 4,124	$ -	$ 4,124
Kepley	3,258	23,717	23,664	3,311	-	3,311
Total Gate Receipts	3,302	70,417	66,284	7,435	-	7,435
School Projects						
High School						
Concessions	9,678	6,384	7,505	8,557	-	8,557
Other Revenue	2,951	72,881	73,486	2,346	-	2,346
Special Band and Choirs	3,203	221	419	3,005	-	3,005
Student Collections	137	-	-	137	-	137
Yearbook	5,968	6,203	8,212	3,959	-	3,959
Subtotal High School	21,937	85,689	89,622	18,004	-	18,004
USD No. 214						
Other Revenues	17,137	47,429	44,645	19,921	-	19,921
Book Fair	4,361	10,200	8,283	6,278	-	6,278
T-shirts and Yearbook	28,751	8,193	2,343	34,601	-	34,601
Subtotal USD No. 214	50,249	65,822	55,271	60,800	-	60,800
Kepley School						
Student Activity	3,788	27,235	28,002	3,021	-	3,021
Kepley Educator	350	215	287	278	-	278
Subtotal Kepley School	4,138	27,450	28,289	3,299	-	3,299
Total School Projects	76,324	178,961	173,182	82,103	-	82,103
Total District Activity Funds	$ 79,626	$ 249,378	$ 239,466	$ 89,538	$ -	$ 89,538

Unified School District Number 214
Ulysses, Kansas
Student Organization Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Cash Balance	Receipts	Disbursement	Ending Cash Balance
High School				
Cheerleaders	$ 3,296	$ -	$ 283	$ 3,013
Class of 2020	756	-	212	544
Class of 2021	4,216	2,116	360	5,972
Class of 2022	2,916	7,553	8,854	1,615
Class of 2023	25	-	-	25
Class of 2026	-	88	88	-
Entrepreneurship	386	-	-	386
FAMCONSSC	-	731	731	-
FBLA	19,025	40,406	38,398	21,033
FCA	5,167	-	274	4,893
FFA	10,859	13,107	11,676	12,290
FHAFCCLA	439	4,853	4,480	812
For LANG	-	2,750	-	2,750
Halo	4,479	110	-	4,589
IAC	6,338	134	-	6,472
Interact	8,383	401	925	7,859
LEO Club	23	-	-	23
Medical Fund/Donations	-	593	-	593
Musical	5,529	4,512	5,573	4,468
NFL	169	-	-	169
NHS	10,118	5,998	8,765	7,351
Odyssey of the Mind	4,302	1,265	680	4,887
PBS	1,558	88	398	1,248
Project Fund - Other	-	145	-	145
SADD	3,779	6,372	5,000	5,151
Stuco	1,544	1,756	1,535	1,765
U-Club	11,500	3,124	4,357	10,267
Subtotal High School	104,807	96,102	92,589	108,320
Kepley School				
Ambassadors	5,135	1,335	957	5,513
Band	-	340	340	-
Crime Stoppers	185	-	-	185
Stuco	166	-	-	166
Bank Charges	-	233	233	-
Yearbook	5,117	1,136	1,150	5,103
8th Grade Class	868	1,483	2,351	-
Student Leadership	2,772	1,869	2,461	2,180
Subtotal Kepley School	14,243	6,396	7,492	13,147
Total Student Organization Funds	$ 119,050	$ 102,498	$ 100,081	$ 121,467

Schedule 4-2

Unified School District Number 214
Ulysses, Kansas
District Clearing Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2021

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School Sales Tax	$ 6,136	$ 3,068	$ 3,103	$ 6,101
Kepley School Sales Tax	101	10	111	-
USD No. 214 Sales Tax	75	765	778	62
	$ 6,312	$ 3,843	$ 3,992	$ 6,163

Unified School District Number 214

Ulysses, Kansas

Unified School District Number 214

Ulysses, Kansas

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Dirks, Anthony & Duncan, LLC
Certified Public Accountants & Management Consultants
104 N. Main / P.O. Box 885 / Ulysses, KS 67880 / Phone: (620) 356-4951 / Fax: (620) 353-1018

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

Board Members and Management
Unified School District Number 214
Ulysses, Kansas 67880

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 the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Unified School District Number 214, as of and for the year ended June 30, 2021, and the related notes to the financial statement, which collectively comprise Unified School District Number 214's basic financial statement and have issued our report thereon dated January 10, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District Number 214'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 opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Unified School District Number 214's internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District Number 214'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.

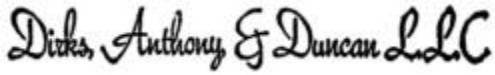
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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 Unified School District Number 214's financial statement are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

January 10, 2022

Dirks, Anthony & Duncan, LLC
Certified Public Accountants & Management Consultants
104 N. Main / P.O. Box 885 / Ulysses, KS 67880 / Phone: (620) 356-4951 / Fax: (620) 353-1018

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

Board Members and Management
Unified School District Number 214
Ulysses, Kansas 67880

Report on Compliance for Each Major Federal Program

We have audited Unified School District Number 214's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Unified School District Number 214's major federal programs for the year ended June 30, 2021. Unified School District Number 214'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 each of Unified School District Number 214'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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Unified School District Number 214'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 Unified School District Number 214's compliance.

Opinion on Each Major Federal Program

In our opinion, Unified School District Number 214 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Unified School District Number 214 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 Unified School District Number 214'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 Unified School District Number 214'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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Dirks, Anthony & Duncan L.L.C.

DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

January 10, 2022

Unified School District Number 214
Ulysses, Kansas
Schedule of Expenditures of Federal Awards
Regulatory Basis
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Numbers	Pass Through Identifying Number	Expenditures
U.S. Department of Agriculture			
Passed Through State of Kansas Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553	D0214	$ 5,164
National School Lunch Program	10.555	D0214	85,712
SFS - CFC	10.559	D0214	943,266
Total Child Nutrition Cluster			1,034,142
Total U.S. Department of Agriculture			1,034,142
U.S. Department of Education			
Passed Through State of Kansas Department of Education			
Title I Low Income	84.010A	D0214	322,536
Title I Migrant	84.011A	D0214	85,500
Title IV 21st Century Community Learning Center	84.287C	D0214	69,875
English Lanugage Acquisition	84.365A	D0214	40,988
Supporting Effective Instruction	84.367A	D0214	59,183
ESSA	84.424A	D0214	24,037
Education Stablization Fund	84.425D	D0214	295,253
Youth Risk Behavior Survey	93.079	D0214	100
Total U.S. Department of Education			897,472
Total Schedule of Expenditures of Federal Awards			$ 1,931,614

Unified School District Number 214
Ulysses, Kansas
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Unified School District Number 214, Ulysses, Kanas (the District) under programs of the federal government for the year ended June 30, 2021. The information in this schedule if presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a select portion of the operations of District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using regulatory basis of accounting prescribed by the Kanas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1) Expenditures reported in the Schedule of Expenditures of Federal Awards (SEFA) are reported using the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash and budget laws of the State of Kansas, the same as the financial statement accompanying this schedule.

2) Unified School District Number 214 did not use the standard indirect cost rate of 10%.

NOTE 3 – FUNDS EXPENDED

Funds where federal expenditures were receipted and expended:

Food Service Fund	$ 1,034,142
General Fund	100
Special Education Fund	16,542
From State, Federal and Other Grant Funds:	
ESSER/CARES Act	254,442
ESSER II	24,269
Title I Low Income	322,536
Title I Migrant	85,500
Supporting Effective Instruction	59,183
English Language Acquisition	40,988
ESSA	24,037
21st Century After School	69,875
	$ 1,931,614

Unified School District Number 214
Ulysses, Kansas
Schedule of Finding & Questioned Costs
For the Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENT

The auditor's report expresses an **adverse opinion** on the financial statement of Unified School District Number 214 on the Generally Accepted Accounting Principles (GAAP) basis of accounting, but an **unmodified opinion** on the regulatory basis of accounting as prescribed by the State of Kansas.

Internal Control Over Financial Reporting:

- Material weknesses identified? ____ Yes X No
- Significant defiency(ies) identified? ____ Yes X None Reported
- Noncompliance or other matters required to be reported under *Government Auditing Standards*? ____ Yes X No

FEDERAL AWARDS

Internal Control Over Financial Reporting:

- Material weaknesses identified? ____ Yes X No
- Significant defiency(ies) identified? ____ Yes X None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____ Yes X No

Identification of Major Programs/Cluster:

	Assistance Listing Number:
Child Nutrition Cluster:	
School Breakfast Program	10.553
National School Lunch Program	10.555
SFS - CFC	10.559
Education Stablization Fund	84.425D

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

Auditee qualifies as a low-risk auditee? ____ Yes X No

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no reportable findings.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF AGRICULTURE
Child Nutrition Cluster - Assistance Listing Numbers 10.553, 10.555 and 10.559

There were no reportable findings.

U.S. DEPARTMENT OF EDUCATION
Education Stablization Fund - Assistance Listing Number 84.425D

There were no reportable findings.