



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

**AUBURN-WASHBURN
UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS**

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS
YEAR ENDED JUNE 30, 2018

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2018

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AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Auburn-Washburn Unified School District No. 437

Report on the Financial Statement

We have audited the accompanying summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of Auburn-Washburn Unified School District No. 437 (the District) for the year ended June 30, 2018 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 (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.

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 applicable provisions of 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 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 District'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 District'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.

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.

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 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, 2018, 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, 2018, 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 summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulation* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional 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 November 29, 2018 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.

Berberich Trahan & Co., P.A.

November 29, 2018
Topeka, Kansas

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND
UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2018

<u>FUNDS</u>	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances
General fund	\$ 87	\$ -
Supplemental general fund	396,235	-
Special purpose funds:		
Capital outlay	3,956,410	-
Driver education	87,308	-
Food service	748,918	-
Special education	4,155,034	-
Vocational education	150,043	-
Professional development	83,263	-
Parent education	47,556	-
KPERS special retirement contribution	-	-
Summer school	40,095	-
Gifts and grants	69,950	-
Bilingual	38,474	-
At-risk (4 year-old)	39,648	-
At-risk (K-12)	418,698	-
Virtual education	11,797	-
Federal grant funds	18,309	-
Textbook rental	1,726,005	-
Contingency reserve	2,606,098	-
Gate receipts	35,074	-
High school projects	3,068	-
District activity funds	218,988	-
Bond and interest fund	6,220,663	-
Total reporting entity (excluding agency funds)	<u>\$ 21,071,721</u>	<u>\$ -</u>
Composition of cash:		
Checking accounts		
Petty cash funds		
Municipal investment pool		
Certificates of deposit		
Activity funds - checking accounts		
Total cash		
Agency funds per Schedule 3		
Total reporting entity (excluding agency funds)		

See accompanying notes to financial statement.

Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 37,044,852	\$ 37,044,939	\$ -	\$ -	\$ 1,900,720	\$ 1,900,720
12,053,882	12,224,055	-	226,062	-	226,062
5,497,606	4,673,997	-	4,780,019	1,692,841	6,472,860
33,660	22,131	-	98,837	224	99,061
2,958,903	2,923,956	-	783,865	98,396	882,261
11,304,507	11,345,238	-	4,114,303	464,503	4,578,806
558,338	571,849	-	136,532	26,871	163,403
33,213	39,377	-	77,099	780	77,879
179,334	168,559	-	58,331	2,495	60,826
4,563,289	4,563,289	-	-	-	-
-	-	-	40,095	-	40,095
42,155	95,717	-	16,388	1,280	17,668
113,000	113,201	-	38,273	6,336	44,609
141,000	141,599	-	39,049	63,119	102,168
3,154,750	3,156,223	-	417,225	173,436	590,661
20,000	20,266	-	11,531	-	11,531
918,896	833,669	-	103,536	72,690	176,226
578,020	946,281	-	1,357,744	508,262	1,866,006
-	-	-	2,606,098	-	2,606,098
131,415	131,785	(87)	34,617	-	34,617
431	1,318	(9)	2,172	-	2,172
646,549	683,735	(655)	181,147	-	181,147
5,901,029	5,811,268	-	6,310,424	-	6,310,424
<u>\$ 85,874,829</u>	<u>\$ 85,512,452</u>	<u>\$ (751)</u>	<u>\$ 21,433,347</u>	<u>\$ 5,011,953</u>	<u>\$ 26,445,300</u>
					\$ 12,910,460
					800
					10,316,104
					3,000,000
					917,639
					27,145,003
					(699,703)
					<u>\$ 26,445,300</u>

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2018

1 - Municipal Financial Reporting Entity

Auburn-Washburn Unified School District No. 437 (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, 2018:

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.

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

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(a) Fund Descriptions (Continued)

FIDUCIARY FUNDS

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

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

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain account 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.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(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 amended the budget for the At-Risk Fund (4 Year-Old) for the fiscal year ended June 30, 2018.

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 revenues 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 budget expenditure authority lapses at year-end.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

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

Textbook Rental, Contingency Reserve, Gate Receipts, High School Projects, 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) 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.

(e) Inventories and Prepaid Expenses

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

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(f) Use of Estimates

The preparation of a 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

At June 30, 2018, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
Kansas Municipal Investment Pool	\$ 10,316,104	Less than 1 year	Not rated

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

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

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments (Continued)

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 deposits with the Kansas Municipal Investment Pool during and as of the fiscal year ended June 30, 2018.

Custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2018, the District's deposits were not exposed to custodial credit risk.

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

At June 30, 2018, the District had invested \$ 10,316,104 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in the direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4 - In-Substance Receipt in Transit

The District received \$ 2,590,754 subsequent to June 30, 2018, 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, 2018.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt

Changes in long-term debt for the District for the year ended June 30, 2018 were as follows:

Issue	Interest Rate	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General obligation bonds:										
Series 2007	4.00 - 4.25%	12/13/07	\$ 15,000,000	09/01/28	\$ 2,645,000	\$ -	\$ (545,000)	\$ -	\$ 2,100,000	\$ 98,881
Series 2008	4.00%	12/01/09	10,000,000	09/01/29	1,200,000	-	(350,000)	-	850,000	41,000
Series 2009	3.50 - 3.85%	04/01/09	20,000,000	09/01/30	3,700,000	-	(875,000)	-	2,825,000	119,450
Series 2010	2.80 - 3.875%	05/01/10	12,950,000	09/01/31	3,110,000	-	(555,000)	-	2,555,000	96,945
Series 2011	3.00 - 5.00%	06/07/11	16,465,000	09/01/32	5,800,000	-	(1,065,000)	-	4,735,000	242,257
Series 2013	2.00 - 3.50%	03/05/13	9,990,000	09/01/30	9,665,000	-	(100,000)	-	9,565,000	312,900
Series 2014	3.00 - 4.00%	08/01/14	9,520,000	09/01/30	9,250,000	-	(50,000)	-	9,200,000	362,550
Series 2015	1.25 - 4.00%	02/25/15	8,265,000	09/01/28	8,245,000	-	(10,000)	-	8,235,000	310,163
Series 2016	1.50 - 4.00%	01/14/16	8,770,000	09/01/32	8,620,000	-	(15,000)	-	8,605,000	324,505
Series 2017	3.00 - 4.00%	03/13/17	9,390,000	09/01/31	9,390,000	-	(70,000)	-	9,320,000	267,617
Total contractual indebtedness					61,625,000	-	(3,635,000)	-	57,990,000	2,176,268
Early retirement benefits					2,580,377	-	-	(233,557)	2,346,820	-
Total long-term debt					<u>\$ 64,205,377</u>	<u>\$ -</u>	<u>\$ (3,635,000)</u>	<u>\$ (233,557)</u>	<u>\$ 60,336,820</u>	<u>\$ 2,176,268</u>

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt (Continued)

Principal and interest maturities of the District's general obligation bonds are as follows:

Year Ended June 30,	Principal	Interest
2019	\$ 3,885,000	\$ 2,061,208
2020	4,125,000	1,900,276
2021	4,335,000	1,728,856
2022	3,685,000	1,578,826
2023	3,815,000	1,451,044
2024-2028	23,335,000	4,875,374
2029-2033	14,810,000	884,720
	\$ 57,990,000	\$ 14,480,304

Defeased Debt

The District has defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account's assets and the liabilities for the defeased bonds are not included in the District's financial statement. At June 30, 2018, \$ 43,455,000 of the bonds that are considered defeased remain outstanding.

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.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Defined Benefit Pension Plan (Continued)

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$ 92,917,091 for the year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$ 304,596,361. Per 2017 Senate Substitute for House Bill 2051, Section 37(a), state general fund employer contributions to KPERS were decreased by \$ 64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) 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 2018. The level dollar amount was computed to be \$ 6.4 million dollars per year.

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 \$ 3,950,774 for the year ended June 30, 2018.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Defined Benefit Pension Plan (Continued)

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 53,543,995. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. 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, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

8 - Early Retirement Benefits

The District has a plan which covers certified personnel who voluntarily take early retirement. A certified employee is eligible for early retirement if such employee is a full-time employee of the District, is not less than fifty-five years of age and not more than sixty-two years of age, and has ten or more continuous years of service with the District. The benefits from this plan are computed using a formula based on salary, age, and years of service, and are payable monthly.

The early retirement benefit maturities are as follows:

<u>Year Ended</u> <u>June 30,</u>	
2019	\$ 1,068,914
2020	811,873
2021	381,327
2022	78,252
2023	<u>6,454</u>
Total	<u><u>\$ 2,346,820</u></u>

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

9 - Operating Leases

The District has operating leases for buses. As of June 30, 2018, future annual minimum lease payments are as follows:

<u>Year Ended June 30,</u>	
2019	\$ 100,665
2020	333,933
2021	46,455
2022	127,500

Lease expense for the current year was \$ 100,665.

10 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2018. The transfers were approved by the Board of Education.

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General fund	Special education fund	K.S.A. 72-6428	\$ 6,274,000
General fund	Professional development fund	K.S.A. 72-6428	20,000
General fund	Parent education fund	K.S.A. 72-6428	52,200
General fund	Bilingual fund	K.S.A. 72-6428	113,000
General fund	At-risk fund (4 year-old)	K.S.A. 72-6428	141,000
General fund	At-risk fund (K-12)	K.S.A. 72-6428	2,889,000
General fund	Food service fund	K.S.A. 72-6428	35,455
Supplemental general fund	Special education fund	K.S.A. 72-6433	3,458,000
Supplemental general fund	At-risk fund (K-12)	K.S.A. 72-6433	260,000
Supplemental general fund	Vocational education fund	K.S.A. 72-6433	520,000
Supplemental general fund	Virtual education fund	K.S.A. 72-6433	20,000

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

11 - 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 the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

12 - Statutory Compliance

The District expended monies in excess of the approved budget for the gifts and grants fund in the amount of \$ 19,717 as a result of spending monies that had been received in the prior year.

SUPPLEMENTARY INFORMATION

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2018

	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>
<u>FUNDS</u>		
General fund	\$ 37,400,681	\$ (418,597)
Supplemental general fund	12,355,136	(131,081)
Special purpose funds:		
Capital outlay	6,212,249	-
Driver education	40,000	-
Food service	3,285,600	-
Special education	12,274,700	-
Vocational education	621,600	-
Professional development	69,000	-
Parent education	176,677	-
KPERS special retirement contribution	4,846,660	-
Summer school	10,000	-
Gifts and grants	76,000	-
Bilingual	178,300	-
At-risk (4 year old)	145,000	-
At-risk (K-12)	3,470,000	-
Virtual education	30,400	-
Federal grant funds	840,000	-
Bond and interest fund	<u>5,813,000</u>	<u>-</u>
Totals	<u>\$ 87,845,003</u>	<u>\$ (549,678)</u>

Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
\$ 62,855	\$ 37,044,939	\$ 37,044,939	\$ -
-	12,224,055	12,224,055	-
-	6,212,249	4,673,997	(1,538,252)
-	40,000	22,131	(17,869)
-	3,285,600	2,923,956	(361,644)
-	12,274,700	11,345,238	(929,462)
-	621,600	571,849	(49,751)
-	69,000	39,377	(29,623)
-	176,677	168,559	(8,118)
-	4,846,660	4,563,289	(283,371)
-	10,000	-	(10,000)
-	76,000	95,717	19,717
-	178,300	113,201	(65,099)
-	145,000	141,599	(3,401)
-	3,470,000	3,156,223	(313,777)
-	30,400	20,266	(10,134)
-	840,000	833,669	(6,331)
-	5,813,000	5,811,268	(1,732)
<u>\$ 62,855</u>	<u>\$ 87,358,180</u>	<u>\$ 83,749,333</u>	

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts:			
State equalization aid	\$ 31,472,303	\$ 31,190,880	\$ (281,423)
State special education fund	5,928,305	5,784,119	(144,186)
Reimbursed expenses	-	62,708	62,708
Other	-	7,145	7,145
Total cash receipts	<u>\$ 37,400,608</u>	<u>37,044,852</u>	<u>\$ (355,756)</u>
Expenditures, encumbrances, and transfers:			
Instruction	\$ 13,316,663	13,737,915	\$ 421,252
Support services	2,333,900	2,202,475	(131,425)
Administration	5,277,900	3,410,545	(1,867,355)
Operation and maintenance	4,590,200	4,896,932	306,732
Transportation	1,620,500	1,574,283	(46,217)
Other supplemental services	-	1,537,699	1,537,699
Community service operations	-	160,435	160,435
Transfers to other funds	10,261,518	9,524,655	(736,863)
Adjustment to comply with legal max	(418,597)		418,597
Adjustment for qualifying budget credits	62,855		(62,855)
Total expenditures, encumbrances, and transfers	<u>\$ 37,044,939</u>	<u>37,044,939</u>	<u>\$ -</u>
Cash receipts under expenditures, encumbrances, and transfers		(87)	
Unencumbered cash, beginning		<u>87</u>	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Ad valorem tax in process	\$ 117,102	\$ 78,447	\$ (38,655)
Ad valorem current tax	6,697,909	7,061,654	363,745
Ad valorem delinquent tax	25,581	58,600	33,019
In lieu of taxes	-	1,218	1,218
Motor vehicle tax	879,787	915,884	36,097
Recreational vehicle tax	6,044	6,797	753
Commercial vehicle tax	17,316	15,954	(1,362)
Supplemental state aid	3,914,166	3,915,328	1,162
Transfers from contingency reserve fund	301,000	-	(301,000)
Total cash receipts and transfers	<u>\$ 11,958,905</u>	<u>12,053,882</u>	<u>\$ 395,977</u>
Expenditures and transfers:			
Instruction	\$ 8,097,136	7,966,055	\$ (131,081)
Transfers to other funds	4,258,000	4,258,000	-
Adjustments to comply with legal max	(131,081)		131,081
Total expenditures and transfers	<u>\$ 12,224,055</u>	<u>\$ 12,224,055</u>	<u>\$ -</u>
Cash receipts under expenditures and transfers		(170,173)	
Unencumbered cash, beginning		<u>396,235</u>	
Unencumbered cash, ending		<u>\$ 226,062</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

CAPITAL OUTLAY FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts:			
Ad valorem tax in process	\$ 64,871	\$ 43,385	\$ (21,486)
Ad valorem current tax	3,698,863	3,818,098	119,235
Ad valorem delinquent tax	14,146	30,079	15,933
In lieu of taxes	-	658	658
Motor vehicle tax	441,858	457,860	16,002
Recreational vehicle tax	3,036	3,412	376
Commercial vehicle tax	8,697	8,547	(150)
State aid	861,111	859,970	(1,141)
Interest on idle funds	-	226,121	226,121
Other	40,000	49,476	9,476
	<u>\$ 5,132,582</u>	<u>5,497,606</u>	<u>\$ 365,024</u>
Total cash receipts			
Expenditures and encumbrances:			
Land acquisition and improvement	\$ 674,700	421,850	\$ (252,850)
Building improvements	2,374,563	2,875,918	501,355
Operations and maintenance	427,000	8,340	(418,660)
Property and equipment	2,735,986	1,367,889	(1,368,097)
	<u>\$ 6,212,249</u>	<u>4,673,997</u>	<u>\$ (1,538,252)</u>
Total expenditures and encumbrances			
Cash receipts over expenditures and encumbrances		823,609	
Unencumbered cash, beginning		<u>3,956,410</u>	
Unencumbered cash, ending		<u>\$ 4,780,019</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

DRIVER EDUCATION FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts:			
State aid	\$ 13,300	\$ 12,288	\$ (1,012)
Local revenues	<u>22,000</u>	<u>21,372</u>	<u>(628)</u>
Total cash receipts	<u>\$ 35,300</u>	<u>33,660</u>	<u>\$ (1,640)</u>
Expenditures and encumbrances:			
Instruction	\$ 39,800	22,091	\$ (17,709)
Miscellaneous	<u>200</u>	<u>40</u>	<u>(160)</u>
Total expenditures and encumbrances	<u>\$ 40,000</u>	<u>22,131</u>	<u>\$ (17,869)</u>
Cash receipts over expenditures and encumbrances		11,529	
Unencumbered cash, beginning		<u>87,308</u>	
Unencumbered cash, ending		<u>\$ 98,837</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

FOOD SERVICE FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
State aid	\$ 27,600	\$ 31,867	\$ 4,267
Federal aid	1,380,660	1,358,469	(22,191)
Interest on idle funds	-	4,527	4,527
Receipts, student	1,156,450	1,135,086	(21,364)
Nonreimbursed sales	428,900	392,030	(36,870)
Miscellaneous	70,000	1,469	(68,531)
Transfers from general fund	-	35,455	35,455
	<u>\$ 3,063,610</u>	<u>2,958,903</u>	<u>\$ (104,707)</u>
Total cash receipts and transfers			
Expenditures and encumbrances:			
Operation and maintenance	\$ 12,000	17,115	\$ 5,115
Food service	3,273,600	2,906,841	(366,759)
	<u>\$ 3,285,600</u>	<u>2,923,956</u>	<u>\$ (361,644)</u>
Total expenditures and encumbrances			
Cash receipts and transfers over expenditures and encumbrances		34,947	
Unencumbered cash, beginning		<u>748,918</u>	
Unencumbered cash, ending		<u>\$ 783,865</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SPECIAL EDUCATION FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Federal aid	\$ 1,127,990	\$ 1,199,274	\$ 71,284
Medicaid	500,000	369,881	(130,119)
Local revenues	-	3,352	3,352
Transfers from general fund	6,923,318	6,274,000	(649,318)
Transfers from supplemental general fund	3,458,000	3,458,000	-
	<u>\$ 12,009,308</u>	<u>11,304,507</u>	<u>\$ (704,801)</u>
Total cash receipts and transfers			
Expenditures and encumbrances:			
Instruction	\$ 9,172,100	8,324,704	\$ (847,396)
Transportation	751,100	817,936	66,836
Support services	1,865,300	1,704,540	(160,760)
General administration	326,600	356,400	29,800
School administration	159,600	141,658	(17,942)
	<u>\$ 12,274,700</u>	<u>11,345,238</u>	<u>\$ (929,462)</u>
Total expenditures and encumbrances			
Cash receipts and transfers under expenditures and encumbrances		(40,731)	
Unencumbered cash, beginning		<u>4,155,034</u>	
Unencumbered cash, ending		<u>\$ 4,114,303</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

VOCATIONAL EDUCATION FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts and transfers:			
Federal aid	\$ 35,536	\$ 36,614	\$ 1,078
State aid	1,114	1,724	610
Transfers from supplemental general fund	520,000	520,000	-
	<u>\$ 556,650</u>	<u>558,338</u>	<u>\$ 1,688</u>
Total cash receipts and transfers			
Expenditures and encumbrances:			
Instruction	\$ 602,000	556,710	\$ (45,290)
Support services	19,600	14,021	(5,579)
General administration	-	1,118	1,118
	<u>\$ 621,600</u>	<u>571,849</u>	<u>\$ (49,751)</u>
Total expenditures and encumbrances			
Cash receipts and transfers under expenditures and encumbrances		(13,511)	
Unencumbered cash, beginning		<u>150,043</u>	
Unencumbered cash, ending		<u>\$ 136,532</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
State aid	\$ 2,400	\$ 13,213	\$ 10,813
Transfers from general fund	20,000	20,000	-
Total cash receipts and transfers	<u>\$ 22,400</u>	<u>33,213</u>	<u>\$ 10,813</u>
Expenditures and encumbrances:			
Support services	<u>\$ 69,000</u>	<u>39,377</u>	<u>\$ (29,623)</u>
Cash receipts and transfers under expenditures and encumbrances		(6,164)	
Unencumbered cash, beginning		<u>83,263</u>	
Unencumbered cash, ending		<u>\$ 77,099</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

PARENT EDUCATION FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts and transfers:			
Federal aid	\$ -	\$ 12,161	\$ 12,161
State aid	98,592	100,692	2,100
Services to other school districts	11,897	14,281	2,384
Transfers from general fund	52,200	52,200	-
	<u>162,689</u>	<u>179,334</u>	<u>16,645</u>
Total cash receipts and transfers	<u>\$ 162,689</u>	<u>179,334</u>	<u>\$ 16,645</u>
Expenditures and encumbrances:			
Support services	<u>\$ 176,677</u>	<u>168,559</u>	<u>\$ (8,118)</u>
Cash receipts and transfers over expenditures and encumbrances		10,775	
Unencumbered cash, beginning		<u>47,556</u>	
Unencumbered cash, ending		<u>\$ 58,331</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Receipts:			
KPERS	<u>\$ 4,846,660</u>	<u>\$ 4,563,289</u>	<u>\$ (283,371)</u>
Expenditures:			
Instruction	\$ 3,289,537	3,097,207	\$ (192,330)
Support services	469,541	442,088	(27,453)
General administration	87,426	82,314	(5,112)
School administration	306,846	288,906	(17,940)
Other supplemental services	124,164	116,904	(7,260)
Operations and maintenance	251,405	236,706	(14,699)
Transportation	170,112	160,166	(9,946)
Food service	<u>147,629</u>	<u>138,998</u>	<u>(8,631)</u>
Total expenditures	<u>\$ 4,846,660</u>	<u>4,563,289</u>	<u>\$ (283,371)</u>
Receipts over expenditures		-	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SUMMER SCHOOL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Expenditures:			
Instruction	\$ 10,000	\$ -	\$ (10,000)
Unencumbered cash, beginning		40,095	
Unencumbered cash, ending		\$ 40,095	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

GIFTS AND GRANTS FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Federal aid	\$ -	\$ 1,250	\$ 1,250
Other aid	-	10,300	10,300
Local revenues	76,000	30,373	(45,627)
Interest	-	232	232
	<hr/>	<hr/>	<hr/>
Total cash receipts	\$ 76,000	42,155	\$ (33,845)
	<hr/>	<hr/>	<hr/>
Expenditures and encumbrances:			
Instruction	\$ 46,600	30,274	\$ (16,326)
Support services	12,700	(4,604)	(17,304)
Other expenses	16,700	70,047	53,347
	<hr/>	<hr/>	<hr/>
Total expenditures and encumbrances	\$ 76,000	95,717	\$ 19,717
	<hr/>	<hr/>	<hr/>
Cash receipts under expenditures and encumbrances		(53,562)	
Unencumbered cash, beginning		<hr/>	
		69,950	
Unencumbered cash, ending		<hr/>	
		\$ 16,388	
		<hr/>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

BILINGUAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts and transfers:			
Other	\$ 20,000	\$ -	\$ (20,000)
Transfers from general fund	<u>126,000</u>	<u>113,000</u>	<u>(13,000)</u>
Total cash receipts and transfers	<u><u>\$ 146,000</u></u>	<u>113,000</u>	<u><u>\$ (33,000)</u></u>
Expenditures and encumbrances:			
Instruction	<u><u>\$ 178,300</u></u>	<u>113,201</u>	<u><u>\$ (65,099)</u></u>
Cash receipts and transfers under expenditures and encumbrances		(201)	
Unencumbered cash, beginning		<u>38,474</u>	
Unencumbered cash, ending		<u><u>\$ 38,273</u></u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

AT-RISK FUND (4 YEAR-OLD)

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Other	\$ 15,400	\$ -	\$ (15,400)
Transfers from general fund	115,000	141,000	26,000
Total cash receipts and transfers	<u>\$ 130,400</u>	<u>141,000</u>	<u>\$ 10,600</u>
Expenditures and encumbrances:			
Instruction	\$ 121,600	89,599	\$ (32,001)
Equipment	23,400	52,000	28,600
Total expenditures and encumbrances	<u>\$ 145,000</u>	<u>141,599</u>	<u>\$ (3,401)</u>
Cash receipts and transfers under expenditures and encumbrances		(599)	
Unencumbered cash, beginning		<u>39,648</u>	
Unencumbered cash, ending		<u>\$ 39,049</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

AT-RISK FUND (K-12)

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Local revenues	\$ 3,500	\$ 5,750	\$ 2,250
Transfers from general fund	3,025,000	2,889,000	(136,000)
Transfers from supplemental general	260,000	260,000	-
Total cash receipts and transfers	<u>\$ 3,288,500</u>	<u>3,154,750</u>	<u>\$ (133,750)</u>
Expenditures and encumbrances:			
Instruction	\$ 2,743,100	2,390,105	\$ (352,995)
Support services	605,100	642,233	37,133
School administration	121,800	123,885	2,085
Total expenditures and encumbrances	<u>\$ 3,470,000</u>	<u>3,156,223</u>	<u>\$ (313,777)</u>
Cash receipts and transfers under expenditures and encumbrances		(1,473)	
Unencumbered cash, beginning		<u>418,698</u>	
Unencumbered cash, ending		<u>\$ 417,225</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

VIRTUAL EDUCATION

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers from supplemental general fund	<u>\$ 20,000</u>	\$ 20,000	<u>\$ -</u>
Expenditures:			
Instruction	<u>\$ 30,400</u>	<u>20,266</u>	<u>\$ (10,134)</u>
Transfers under expenditures		(266)	
Unencumbered cash, beginning		<u>11,797</u>	
Unencumbered cash, ending		<u>\$ 11,531</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

FEDERAL GRANT FUNDS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Title I</u> <u>2013-2014</u>
Cash receipts:	
Federal aid	<u>\$ -</u>
Expenditures and encumbrances:	
Instruction	-
Instructional support staff	-
Student support services	
	<u>-</u>
Total expenditures and encumbrances	<u>-</u>
Cash receipts over (under) expenditures and encumbrances	-
Unencumbered cash, beginning	<u>(72)</u>
Unencumbered cash, ending	<u><u>\$ (72)</u></u>

(Continued)

<u>Title I 2016-2017</u>	<u>Title I 2017-2018</u>	<u>Drug-Free Schools 2012-2013</u>	<u>Improving Teacher Quality 2016-2017</u>	<u>Improving Teacher Quality 2017-2018</u>	<u>Early Childhood 2016-2017</u>
<u>\$ 134,617</u>	<u>\$ 510,500</u>	<u>\$ -</u>	<u>\$ 22,646</u>	<u>\$ 127,400</u>	<u>\$ 43,194</u>
45,024	468,948	-	16,634	39,396	43,194
-	-	-	8,801	79,715	-
<u>3,418</u>	<u>56,109</u>	<u>-</u>	<u>-</u>	<u>153</u>	<u>-</u>
<u>48,442</u>	<u>525,057</u>	<u>-</u>	<u>25,435</u>	<u>119,264</u>	<u>43,194</u>
86,175	(14,557)	-	(2,789)	8,136	-
<u>5,714</u>	<u>-</u>	<u>103</u>	<u>2,789</u>	<u>-</u>	<u>-</u>
<u>\$ 91,889</u>	<u>\$ (14,557)</u>	<u>\$ 103</u>	<u>\$ -</u>	<u>\$ 8,136</u>	<u>\$ -</u>

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

FEDERAL GRANT FUNDS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Title III 2016-2017</u>	<u>Title III 2017-2018</u>	<u>Title IV 2017-2018</u>
Cash receipts:			
Federal aid	<u>\$ -</u>	<u>\$ 14,787</u>	<u>\$ 11,020</u>
Expenditures and encumbrances:			
Instruction	1,074	9,309	-
Instructional support staff	-	-	-
Student support services	<u>-</u>	<u>-</u>	<u>6,563</u>
Total expenditures and encumbrances	<u>1,074</u>	<u>9,309</u>	<u>6,563</u>
Cash receipts over (under) expenditures and encumbrances	(1,074)	5,478	4,457
Unencumbered cash, beginning	<u>1,074</u>	<u>-</u>	<u>-</u>
Unencumbered cash, ending	<u><u>\$ -</u></u>	<u><u>\$ 5,478</u></u>	<u><u>\$ 4,457</u></u>

(Continued)

Continuous Improvement 2014-2015	Continuous Improvement 2016-2017	Continuous Improvement 2017-2018	Total Actual	Budget	Variance - Over (Under)
\$ -	\$ 17,666	\$ 37,066	\$ 918,896	\$ 827,200	\$ 91,696
-	16,463	4,530	644,572	\$ 840,000	\$ (195,428)
-	1,802	32,536	122,854	-	122,854
-	-	-	66,243	-	66,243
-	18,265	37,066	833,669	\$ 840,000	\$ (6,331)
-	(599)	-	85,227		
8,102	599	-	18,309		
\$ 8,102	\$ -	\$ -	\$ 103,536		

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

BOND AND INTEREST FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Ad valorem tax in process	\$ 70,688	\$ 47,353	\$ (23,335)
Ad valorem current tax	3,879,120	4,009,399	130,279
Ad valorem delinquent tax	15,436	35,925	20,489
In lieu of taxes	-	691	691
Motor vehicle tax	520,514	541,325	20,811
Recreational vehicle tax	3,575	4,024	449
Commercial vehicle tax	10,245	9,563	(682)
State aid	1,278,479	1,252,749	(25,730)
	<u>\$ 5,778,057</u>	<u>5,901,029</u>	<u>\$ 122,972</u>
Total cash receipts			
Expenditures:			
Principal	\$ 3,635,000	3,635,000	\$ -
Interest expense	2,176,268	2,176,268	-
Miscellaneous	1,732	-	(1,732)
	<u>\$ 5,813,000</u>	<u>5,811,268</u>	<u>\$ (1,732)</u>
Total expenditures			
Cash receipts over expenditures		89,761	
Unencumbered cash, beginning		<u>6,220,663</u>	
Unencumbered cash, ending		<u>\$ 6,310,424</u>	

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

TEXTBOOK RENTAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Cash receipts:	
Fees	<u>\$ 578,020</u>
Expenditures and encumbrances:	
Instruction	937,551
Student support services	<u>8,730</u>
Total expenditures and encumbrances	<u>946,281</u>
Cash receipts under expenditures and encumbrances	(368,261)
Unencumbered cash, beginning	<u>1,726,005</u>
Unencumbered cash, ending	<u><u>\$ 1,357,744</u></u>

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

CONTINGENCY RESERVE FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Unencumbered cash, beginning	<u>\$ 2,606,098</u>
Unencumbered cash, ending	<u><u>\$ 2,606,098</u></u>

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

GATE RECEIPTS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Gate receipts:					
Washburn Rural High School	\$ 35,074	\$ 131,415	\$ 131,785	\$ (87)	\$ 34,617

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

HIGH SCHOOL PROJECTS

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
High school projects:					
Library authors	\$ 3,068	\$ 431	\$ 1,318	\$ (9)	\$ 2,172

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Washburn Rural High:					
15-16 FG intro to ind	\$ 516	\$ -	\$ -	\$ -	\$ 516
16-17 FG warrior anchor	1,000	221	1,221	-	-
16-17 FG video capture	37	-	-	-	37
16-17 FG sensory too.	46	-	-	-	46
16-17 FG remote multi.	50	-	-	-	50
16-17 FG embrace tec.	870	-	-	-	870
16-17 FG Wacom tablet	96	-	96	-	-
16-17 FG 2017 blue prin.	34	-	-	-	34
16-17 FG Whoa its elec.	17	-	17	-	-
17-18 FG Young Adult Ch	-	1,000	896	-	104
17-18 Project Portfolio	-	1,200	1,200	-	-
17-18 FG Breakout en fran.	-	750	750	-	-
17-18 FG Reading Manip.	-	500	443	-	57
17-18 FG Blue Print Art	-	1,125	1,097	-	28
17-18 FG Lets Get Physical	-	1,000	999	-	1
17-18 FG Enhancing Flim.	-	1,262	-	-	1,262
17-18 Hantis In PE	-	1,000	999	-	1
17-18 FG Lights Camera	-	500	519	-	(19)
17-18 FG Balances & Boxes	-	950	940	-	10
17-18 FG Heritage Week	-	1,000	1,000	-	-
21st century class	215	165	-	(299)	81
Adopt a family	320	235	3,748	3,186	(7)
Advisory/mentoring	80	-	-	-	80
Agriculture	-	247	-	-	247
Alternative education	637	918	881	(15)	659
American literature festival	27	-	-	-	27
AP coordinator	4,528	25,622	25,542	188	4,796
Art club	-	17	1	-	16
Art enrollment	-	4,032	4,239	207	-
Art fundraiser activity	162	-	15	-	147
Assistance for students	7,483	2,127	5,251	3,056	7,415
Band activity	71,289	56,592	66,714	125	61,292
Band enrollment	-	985	985	-	-
Band instrument rental	-	479	481	2	-
Baseball fundraiser	6,656	13,580	6,840	1	13,397
Basketball activity	4,380	3,715	5,863	-	2,232
Beginning photography	21,628	6,002	339	-	27,291
Subtotal forward	\$ 120,071	\$ 125,224	\$ 131,076	\$ 6,451	\$ 120,670

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Washburn Rural High:					
Subtotal forward	\$ 120,071	\$ 125,224	\$ 131,076	\$ 6,451	\$ 120,670
Biggest bluzer	4	-	-	-	4
Blues café	-	45	45	-	-
Blue streak	1,056	3,090	4,125	296	317
Bowling fundraiser	1,262	3,372	3,143	-	1,491
Boys golf activity	5,331	8,187	9,979	(60)	3,479
Boys soccer activity	25	11,259	10,812	293	765
Broadway musical	5,612	-	48	(5,564)	-
Business concurrent enrollment	277	-	-	-	277
Car club	848	-	-	-	848
Centennial committee	-	33,350	19,741	9,300	22,909
Cheerleaders activity	6,519	23,141	27,057	(1)	2,602
Chess club	48	-	-	-	48
Chimes	172,508	67,887	57,341	370	183,424
Circle of friends	511	-	55	-	456
Class of 2016	574	-	-	(574)	-
Class of 2017	252	-	-	-	252
Class of 2018	3,727	175	2,493	-	1,409
Class of 2019	993	7,951	5,080	-	3,864
Class of 2020	39	912	450	-	501
Class of 2021	-	1,230	-	-	1,230
Communications	5,317	-	2,885	3,000	5,432
Communications enrollment	-	520	610	90	-
Construction pathways	139	100	-	-	239
Cross country	1,859	898	568	-	2,189
Cultural heritage activity	102	-	100	-	2
Debate enrollment	-	440	440	-	-
Debate/forensics (DAFA) activity	6,802	18,487	23,355	-	1,934
DECA	331	4,000	3,102	-	1,229
Donations by staff/groups	55	-	-	-	55
FCA	755	-	138	(200)	417
FCCLA	87	-	-	-	87
FFA	2,774	4,752	6,752	-	774
Football activity	2,267	23,477	18,863	102	6,983
Foreign exchange activity	60	-	-	-	60
Forensic enrollment	-	360	360	-	-
Foundations	156	-	-	-	156
Subtotal forward	\$ 340,361	\$ 338,857	\$ 328,618	\$ 13,503	\$ 364,103

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Washburn Rural High:					
Subtotal forward	\$ 340,361	\$ 338,857	\$ 328,618	\$ 13,503	\$ 364,103
General concurrent enrollment	38,830	59,800	11,580	(36,751)	50,299
Girls golf	80	5,253	5,639	-	(306)
Girls soccer donation	104	13,946	11,872	(300)	1,878
Girls tennis	273	750	273	-	750
GSA	262	100	-	-	362
HAWN scholarship	-	50,997	-	-	50,997
Health club	445	2,000	2,199	-	246
Home Ec fees	-	3,242	3,408	166	-
Howbert scholarship	-	4,274	-	-	4,274
IB activity account	35	2,389	843	-	1,581
IB junior class	241	-	-	-	241
IB rental/registration	-	50	50	-	-
Industrial arts enrollment fees	-	405	429	24	-
Interact	1,181	120	379	-	922
Intramurals	94	6,100	3,480	-	2,714
JROTIC-Air Force	7,856	13,511	12,950	500	8,917
KSHSAA music festival	8,409	13,798	13,207	178	9,178
Lady blues	3,147	3,527	4,491	-	2,183
Language arts enrollment	14,373	-	-	-	14,373
Liberty in North Korea	131	-	-	-	131
Library authors district	-	6,005	1,610	-	4,395
Literary club/oracle	294	203	195	-	302
Literary festival	27	-	-	-	27
Literary magazine	300	-	-	-	300
Marketplace	905	-	12	-	893
Math money	8,212	-	-	-	8,212
Math concurrent enrollment	3,438	-	675	-	2,763
Math club	308	-	258	-	50
Memorial scholarships	-	17,502	-	-	17,502
Men's tennis	577	3,912	1,332	(30)	3,127
Model UN	20	150	150	-	20
National Arts Honors	1	-	-	-	1
National Honor Society	1,750	1,933	2,944	(13)	726
OOD transportation fee	-	100	100	-	-
Orchestra activity	1,566	2,135	1,254	-	2,447
PE uniform	-	1,785	1,787	2	-
Pom pon activity	2,181	15,975	16,234	(550)	1,372
Powerlifting fundraiser	1,822	1,838	2,742	-	918
Subtotal forward	\$ 437,223	\$ 570,657	\$ 428,711	\$ (23,271)	\$ 555,898

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Washburn Rural High:					
Subtotal forward	\$ 437,223	\$ 570,657	\$ 428,711	\$ (23,271)	\$ 555,898
Renaissance	3,378	598	8,996	6,764	1,744
Robotics	30	-	-	-	30
S.A.D.D.	217	-	-	-	217
Scholar bowl	873	695	790	-	778
Scholarship funds	978	-	-	-	978
School improvement	35	13,605	25,129	18,600	7,111
Science enrollment	-	799	822	23	-
Science Olympiad	139	30	150	-	19
Social committee	418	-	-	-	418
Social science enrollment	1,657	45	168	-	1,534
Softball activity	11,779	6,890	8,769	-	9,900
Spanish club	121	696	-	(696)	121
Spirit club	960	2,889	2,889	-	960
ST. concession activity	11,557	2,776	3,646	187	10,874
STUCO activity	14,920	15,691	15,666	(670)	14,275
Supply shack	5,903	11,168	9,623	(368)	7,080
Swimming activity	1,967	314	-	-	2,281
Swimming - boys	2,907	220	167	-	2,960
Textbook rental	-	11,959	12,159	200	-
Thespians	1,107	4,486	5,023	(100)	470
Track activity	9,944	7,191	4,948	(2)	12,185
UNICEF club	282	-	-	-	282
Unified sports	1,779	3,587	2,456	-	2,910
Video production club	127	-	-	-	127
Vo-ag projects	-	775	775	-	-
Vocal music	9,389	22,570	22,482	(303)	9,174
Volleyball	3,152	4,298	4,671	(1)	2,778
Winter play production	2,762	25,739	26,955	5,544	7,090
Woods enrollment fees	-	374	374	-	-
Wood projects	-	1,205	1,205	-	-
World cultures club	466	-	-	-	466
Wrestling fundraiser	4,237	19,459	18,728	(2,572)	2,396
WRHS crime stoppers	847	-	512	-	335
Young democrats	520	-	-	-	520
Young republicans	459	330	516	-	273
Subtotal Washburn Rural High	\$ 530,133	\$ 729,046	\$ 606,330	\$ 3,335	\$ 656,184

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Washburn Rural Middle:					
7th girls basketball	\$ -	\$ -	\$ 39	\$ 58	\$ 19
8th girls basketball	-	116	57	(58)	1
Band activity	-	31,388	31,366	-	22
Biggest loser	20	-	-	(20)	-
Boys basketball eighth grade	4	49	-	-	53
Boys basketball seventh grade	169	1,204	1,136	-	237
Box tops rebates	121	298	24	-	395
Challenge course	9,383	1,378	120	-	10,641
Chamber theater	1,559	-	-	-	1,559
Circle of friends	765	428	587	-	606
Cross country running	13	150	150	-	13
Football	2,316	1,917	2,600	-	1,633
Lost athletic equipment	-	50	50	-	-
Mass production	2,695	1,753	1,688	-	2,760
Orchestra	559	9,368	9,516	(20)	391
Red Cross babysitting	-	911	702	-	209
SFA	-	300	300	-	-
Spirit squad	1,057	-	617	-	440
STUCO	4,356	5,332	5,741	(154)	3,793
Tennis	486	1,477	1,596	-	367
Track	13	945	211	-	747
Vocal music activity	1,019	11,315	11,709	-	625
Volleyball activity	339	73	154	-	258
Wrestling	378	-	-	-	378
Yearbook	3,285	24,011	25,306	570	2,560
Subtotal Washburn Rural Middle	28,537	92,463	93,669	376	27,707
Pauline South Intermediate:					
Angel fund	923	2,250	2,016	(270)	887
Music department	132	-	-	-	132
Skating parties	-	78	40	(20)	18
Subtotal Pauline South Intermediate	\$ 1,055	\$ 2,328	\$ 2,056	\$ (290)	\$ 1,037

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Wanamaker Elementary:					
Fourth grade activity	\$ 50	\$ -	\$ -	\$ -	\$ 50
Friday activity	4	-	-	-	4
Student activity	2,894	3,876	4,438	-	2,332
Student council	3,308	2,207	2,733	(300)	2,482
Subtotal Wanamaker Elementary	6,256	6,083	7,171	(300)	4,868
Indian Hills Elementary:					
Student council	303	-	-	-	303
Jay Shideler Elementary:					
ECH activity account	-	525	525	-	-
Snack shack	937	632	985	-	584
Student council	1,060	-	-	-	1,060
Student store activity	760	697	680	-	777
Subtotal Jay Shideler Elementary	2,757	1,854	2,190	-	2,421
Auburn Elementary:					
Healthy Kids grant	27	-	-	-	27
Sixth grade fundraiser	4	-	-	-	4
Student council	843	1,342	1,178	-	1,007
Subtotal Auburn Elementary	874	1,342	1,178	-	1,038
Farley Elementary:					
Activity fund	5,272	6,966	7,351	969	5,856
Jump rope for heart fundraiser	-	496	496	-	-
Social committee	895	405	1,011	-	289
Subtotal Farley Elementary	6,167	7,867	8,858	969	6,145
Total all funds	\$ 576,082	\$ 840,983	\$ 721,452	\$ 4,090	\$ 699,703

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances Accounts Payable	Ending Cash Balances
Washburn Rural High:								
12 +	\$ (171)	\$ -	\$ -	\$ 850	\$ 425	\$ (596)	\$ -	\$ (596)
Book damages	-	-	1,529	1,589	60	-	-	-
Business fees	-	-	410	428	18	-	-	-
Fundamentals class	257	-	344	419	-	182	-	182
Health grant	4	-	-	-	-	4	-	4
Hospitality	413	-	1,005	975	-	443	-	443
Other - district money	-	-	2,845	2,836	(9)	-	-	-
Outstanding checks	3,184	-	-	3,184	-	-	-	-
Parking permits	15,183	-	17,906	30,397	1	2,693	-	2,693
Pay to participate	-	-	4,348	4,521	173	-	-	-
Petty cash	313	-	-	20	-	293	-	293
Postmaster	6,431	-	10,248	9,787	95	6,987	-	6,987
Summer school payments	-	-	4,475	4,475	-	-	-	-
Testing/guidance	917	-	7,946	8,020	-	843	-	843
Subtotal Washburn Rural High	26,531	-	51,056	67,501	763	10,849	-	10,849
Washburn Rural Middle:								
Activity fees	-	-	1,317	1,287	-	30	-	30
Applied Arts	281	-	450	-	(472)	259	-	259
Art club	41	-	-	-	-	41	-	41
Art fees	2	-	174	174	-	2	-	2
Athletics	18,243	-	22,628	23,498	490	17,863	-	17,863
Book fair	409	-	-	-	-	409	-	409
Book rental fees	-	-	6,043	5,918	-	125	-	125
Champions	135	-	1,319	891	(93)	470	-	470
CKS/State	145	-	-	145	-	-	-	-
Comets	470	-	423	504	-	389	-	389
Concessions	15,015	-	18,931	23,576	513	10,883	-	10,883
Damaged and lost books	48	-	105	153	-	-	-	-
District food service	69	-	-	2,861	2,792	-	-	-
District other	-	-	10	10	-	-	-	-
District printing	-	-	-	339	339	-	-	-
District transportation	-	-	44	44	-	-	-	-
Subtotal forward	\$ 34,858	\$ -	\$ 51,444	\$ 59,400	\$ 3,569	\$ 30,471	\$ -	\$ 30,471

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances Accounts Payable	Ending Cash Balances
Subtotal forward	\$ 34,858	\$ -	\$ 51,444	\$ 59,400	\$ 3,569	\$ 30,471	\$ -	\$ 30,471
Eclipse	120	-	417	422	-	115	-	115
FACS	7	-	607	607	-	7	-	7
Falcon feather	489	-	908	748	-	649	-	649
Foreign language fees	2	-	105	105	-	2	-	2
Foundation	154	-	4,895	4,817	-	232	-	232
Gym fees	157	-	8,865	8,817	-	205	-	205
Industrial arts	22	-	395	415	-	2	-	2
Instrument rental fees	23	-	4,889	4,907	-	5	-	5
Lost library books	14	-	152	166	-	-	-	-
Make a difference	923	-	100	79	(192)	752	-	752
Newspaper	5	-	22	27	-	-	-	-
Other	100	-	1,500	-	-	1,600	-	1,600
Pictures	828	-	2,000	417	(300)	2,111	-	2,111
Planner and agenda fees	-	-	35	35	-	-	-	-
Postage	-	-	-	127	127	-	-	-
Principal emergency	7,855	-	2,000	1,400	-	8,455	-	8,455
PTO special project	1,827	-	-	-	-	1,827	-	1,827
School activities	2,306	-	200	490	165	2,181	-	2,181
School play	2,169	-	3,799	3,660	(498)	1,810	-	1,810
SFA activities	30	-	152	182	-	-	-	-
Summer fitness camp	4,797	-	2,934	2,670	(1,000)	4,061	-	4,061
Sunshine	229	-	1,025	724	(317)	213	-	213
SWAT	98	-	974	691	(155)	226	-	226
Teacher funds	8,132	-	5,212	4,022	(55)	9,267	-	9,267
Team - all stars	606	-	482	539	(47)	502	-	502
The heat	82	-	1,040	1,073	(44)	5	-	5
The wave	678	-	430	495	(56)	557	-	557
WRMS PD	2,545	-	4,312	1,937	(667)	4,253	-	4,253
Vending sales	8,652	-	4,322	3,826	(763)	8,385	-	8,385
Voyagers	221	-	746	561	(46)	360	-	360
WERC	148	-	553	473	-	228	-	228
Subtotal Washburn Rural								
Middle	\$ 78,077	\$ -	\$ 104,515	\$ 103,832	\$ (279)	\$ 78,481	\$ -	\$ 78,481

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances Accounts Payable	Ending Cash Balances
Pauline South Intermediate:								
Book fair	\$ 409	\$ -	\$ 2,847	\$ 2,590	\$ 17	\$ 683	\$ -	\$ 683
Book rental	-	-	3,143	3,148	5	-	-	-
Box tops	-	-	499	428	(63)	8	-	8
Foundation grants	1,924	-	2,400	4,373	-	(49)	-	(49)
General activity	143	-	(11)	132	-	-	-	-
Hospitality	52	-	1,866	1,868	79	129	-	129
Instrument reeds	198	-	(74)	-	-	124	-	124
Instrument rental	-	-	3,506	3,385	270	391	-	391
Lost books	8	-	97	119	14	-	-	-
Major saver/scholar dollar	78	-	1,184	1,262	-	-	-	-
Miscellaneous	-	-	2	2	-	-	-	-
Pictures	10	-	663	589	(66)	18	-	18
PTO - principal	-	-	2,930	2,480	-	450	-	450
Running Club	170	-	(4)	166	-	-	-	-
School supplies	1,226	-	2,819	2,147	(17)	1,881	-	1,881
Yearbook	149	-	1,511	1,668	20	12	-	12
Subtotal Pauline South Intermediate	4,367	-	23,378	24,357	259	3,647	-	3,647
Pauline Central Elementary:								
Book fair	4,806	-	1,953	2,143	-	4,616	-	4,616
Committee	353	-	625	843	-	135	-	135
Foundation	661	-	3,700	4,361	-	-	-	-
Health room	13	-	-	-	-	13	-	13
Hospitality	1,175	-	1,037	552	-	1,660	-	1,660
Library books	199	-	302	501	-	-	-	-
McDonald's	-	-	250	250	-	-	-	-
Petty cash	100	-	-	-	-	100	-	100
Pictures	227	-	-	-	-	227	-	227
Principal's discretionary fund	390	-	500	346	-	544	-	544
School activity	10,962	-	10,229	13,008	-	8,183	-	8,183
Textbook	-	-	4,519	4,519	-	-	-	-
Transportation fee	-	-	50	50	-	-	-	-
Subtotal forward	\$ 18,886	\$ -	\$ 23,165	\$ 26,573	\$ -	\$ 15,478	\$ -	\$ 15,478

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances Accounts Payable	Ending Cash Balances
Subtotal forward	\$ 18,886	\$ -	\$ 23,165	\$ 26,573	\$ -	\$ 15,478	\$ -	\$ 15,478
Visiting author	549	-	-	-	-	549	-	549
Yearbook	1,585	-	2,475	2,037	-	2,023	-	2,023
Subtotal Pauline Central Elementary	21,020	-	25,640	28,610	-	18,050	-	18,050
Wanamaker Elementary:								
Book fair	1,937	-	2,243	2,158	300	2,322	-	2,322
Foundation	-	-	3,450	3,450	-	-	-	-
Instrument rental	-	-	1,532	1,532	-	-	-	-
Lost library book	-	-	118	133	15	-	-	-
Lost textbooks	-	-	5	5	-	-	-	-
Pre-school fees	-	-	2,531	2,531	-	-	-	-
Public fund	3,564	-	2,934	5,108	-	1,390	-	1,390
Sales tax	135	-	457	587	-	5	-	5
Social	390	-	1,480	946	-	924	-	924
Textbook	-	-	6,298	6,298	-	-	-	-
Transportation/OOD	-	-	50	50	-	-	-	-
Yearbook	1,032	-	2,514	1,789	-	1,757	-	1,757
Subtotal Wanamaker Elementary	7,058	-	23,612	24,587	315	6,398	-	6,398
Auburn Elementary:								
AW foundation grants	-	-	8,983	8,847	-	136	-	136
Book fair	596	-	5,480	5,715	-	361	-	361
CheckRite	1	-	10	5	5	11	-	11
Instrument rental	-	-	900	900	-	-	-	-
Jon Carlson memorial fund	1,790	-	-	1,790	-	-	-	-
Library fines	273	-	197	470	-	-	-	-
Outdoor education area	161	-	-	-	-	161	-	161
Pictures	929	-	137	228	-	838	-	838
School activity	19,944	-	4,581	13,232	-	11,293	-	11,293
Textbook fines	13	-	-	13	-	-	-	-
Textbook rental	-	-	7,457	7,552	95	-	-	-
Topeka Community Foundation	1,706	-	250	270	-	1,686	-	1,686
Transportation fee	-	-	50	50	-	-	-	-
Tutor	339	-	-	-	-	339	-	339
Yearbook	29	-	1,275	900	-	404	-	404
Subtotal Auburn Elementary	\$ 25,781	\$ -	\$ 29,320	\$ 39,972	\$ 100	\$ 15,229	\$ -	\$ 15,229

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances Accounts Payable	Ending Cash Balances
Indian Hills Elementary:								
FD money	\$ 15	\$ -	\$ -	\$ -	\$ -	\$ 15	\$ -	\$ 15
Flowers	4	-	-	-	-	4	-	4
Grants and gifts	780	-	-	-	-	780	-	780
Hospitality	-	-	-	-	-	-	-	-
Instrument rental	-	-	870	870	-	-	-	-
Library	4,689	-	12,231	13,935	-	2,985	-	2,985
Lost books	352	-	100	425	-	27	-	27
OOD Transportation	-	-	100	100	-	-	-	-
Pictures	991	-	-	-	-	991	-	991
Pre-school tuition	-	-	225	225	-	-	-	-
Sales tax	29	-	-	-	-	29	-	29
School activity	14,524	-	16,300	17,317	-	13,507	-	13,507
Textbook	-	-	6,699	6,699	-	-	-	-
Yearbook	2,929	-	-	-	-	2,929	-	2,929
Subtotal Indian Hills Elementary	24,313	-	36,525	39,571	-	21,267	-	21,267
Jay Shideler Elementary:								
Author	25	-	436	411	-	50	-	50
Book fair	1,559	-	5,367	4,748	-	2,178	-	2,178
Book rental	-	-	3,148	2,973	(50)	125	-	125
Consumables	999	-	-	-	-	999	-	999
Foundation grant money	-	-	1,801	1,801	-	-	-	-
Hospitality	385	-	776	1,090	-	71	-	71
Incentives	1,032	-	-	32	-	1,000	-	1,000
Instrument rental	160	-	2,270	2,430	-	-	-	-
Joint author	5,212	-	-	5,212	-	-	-	-
JS Cares	-	-	80	185	230	125	-	125
K-3 science funds	314	-	-	-	-	314	-	314
Lost books	205	-	75	249	-	31	-	31
OOD transportation	-	-	-	50	50	-	-	-
Pictures	1,301	-	489	1,785	-	5	-	5
Principal's office	44	-	-	-	-	44	-	44
School activity	6,939	-	6,134	6,874	(230)	5,969	-	5,969
School kits	-	-	495	-	-	495	-	495
Skating parties	1,268	-	172	-	-	1,440	-	1,440
Subtotal forward	\$ 19,443	\$ -	\$ 21,243	\$ 27,840	\$ -	\$ 12,846	\$ -	\$ 12,846

(Continued)

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances Accounts Payable	Ending Cash Balances
Subtotal forward	\$ 19,443	\$ -	\$ 21,243	\$ 27,840	\$ -	\$ 12,846	\$ -	\$ 12,846
Student field trips	1,518	-	1,451	1,462	-	1,507	-	1,507
Super sports day	-	-	379	-	-	379	-	379
Yearbook	1,351	-	4,281	110	-	5,522	-	5,522
Subtotal Jay Shideler Elementary	22,312	-	27,354	29,412	-	20,254	-	20,254
Farley Elementary:								
Book fair	990	-	6,702	7,103	-	589	-	589
Damaged/lost library books	-	-	397	397	-	-	-	-
Donations	-	-	200	-	-	200	-	200
Early childhood fee	-	-	9,063	9,063	-	-	-	-
Fall pictures	591	-	-	-	(591)	-	-	-
Grants	2,854	-	3,955	3,191	-	3,618	-	3,618
Instrument rent	-	-	2,218	2,218	-	-	-	-
Lost textbooks	-	-	23	23	-	-	-	-
Recoveries	123	-	-	-	(123)	-	-	-
Sales Tax	429	-	198	143	-	484	-	484
Student council	957	-	2,722	2,737	-	942	-	942
Student field trips	395	-	-	-	(395)	-	-	-
Teaching supplies	-	-	-	158	158	-	-	-
Technology	18	-	-	-	(18)	-	-	-
Textbook rental	-	-	8,744	8,744	-	-	-	-
Yearbook	2,942	-	409	2,292	-	1,059	-	1,059
Subtotal Farley Elementary	9,299	-	34,631	36,069	(969)	6,892	-	6,892
Student deposits for lunches:								
Washburn Rural High	-	-	91,748	90,937	(811)	-	-	-
Washburn Rural Middle	48	-	34,977	35,044	50	31	-	31
Pauline South Intermediate	-	-	12,040	12,072	32	-	-	-
Pauline Central Elementary	195	-	25,273	25,468	-	-	-	-
Wanamaker Elementary	(25)	-	27,938	27,898	(15)	-	-	-
Auburn Elementary	-	-	24,139	24,039	(100)	-	-	-
Indian Hills Elementary	-	-	27,828	27,828	-	-	-	-
Jay Shideler Elementary	12	-	26,554	26,517	-	49	-	49
Farley Elementary	-	-	20,021	20,021	-	-	-	-
Total student deposits for lunches	230	-	290,518	289,824	(844)	80	-	80
Total all funds	\$ 218,988	\$ -	\$ 646,549	\$ 683,735	\$ (655)	\$ 181,147	\$ -	\$ 181,147

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount of Grant Awards
<u>United States Department of Agriculture:</u>		
Passed through Kansas State Department of Education:		
Child Nutrition Cluster:		
School Breakfast Program FY 2017	10.553	\$ 72,166
School Breakfast Program FY 2018	10.553	165,846
National School Lunch Program FY 2017	10.555	210,377
National School Lunch Program FY 2018	10.555	885,648
Summer Food Service Program for Children FY 2017	10.559	24,432
Total Child Nutrition Cluster		
Team Nutrition Family Fun, Food and Fitness	10.574	250
Special Education Aid Reimbursement	10.560	35,424
Food Service Administrative Expenses	10.560	1,000
Total United States Department of Agriculture		
<u>United States Department of Education:</u>		
Passed through Kansas State Department of Education:		
Special Education Cluster (IDEA):		
Special Education - Grants to States FY 2018	84.027	1,163,850
Special Education - Grants to States - Disc FY 2017	84.027	40,066
Special Education - Grants to States - Disc FY 2018	84.027	37,066
Special Education - Preschool Grants FY 2018	84.173	43,194
Total Special Education Cluster (IDEA)		
Title I, Grants to Local Education Agencies FY 2017	84.010	625,129
Title I, Grants to Local Education Agencies FY 2018	84.010	605,419
Career and Technical Education - Basic Grants to States (Perkins IV) FY 2018	84.048	35,536
Guidance and Counseling FY 2018	84.048	1,078
Title III, English Language Acquisition Grant FY 2017	84.365	13,188
Title III, English Language Acquisition Grant FY 2018	84.365	14,787
Title II, Improving Teacher Quality FY 2017	84.367	102,246
Title II, Improving Teacher Quality FY 2018	84.367	142,825
Title II, Improving Teacher Quality - KEEN Student Education	84.367	560
Student Support and Academic Enrichment	84.424	14,685
Total United States Department of Education		
<u>United States Department of Health and Human Services:</u>		
Passed through Kansas State Department of Education:		
TANF Cluster:		
Temporary Assistance for Needy Families - Parents as Teachers	93.558	12,161
Youth Risk Behavior Survey FY 2018	93.079	300
Total United States Department of Health and Human Services		
Total federal awards		

See accompanying notes to schedule of expenditures of federal awards.

Unencumbered Cash Balance July 1, 2017	Amount Received	Disbursements, Accounts Payable, and Encumbrances	Transfers	Prior-Year Canceled Encumbrances	Unencumbered Cash Balance June 30, 2018
\$ -	\$ 72,166	\$ 72,166	\$ -	\$ -	\$ -
-	165,846	165,846	-	-	-
-	210,377	210,377	-	-	-
-	885,648	885,648	-	-	-
-	24,432	24,432	-	-	-
-	1,358,469	1,358,469	-	-	-
-	250	250	-	-	-
-	35,424	35,424	-	-	-
-	1,000	1,000	-	-	-
-	1,395,143	1,395,143	-	-	-
-	1,163,850	1,163,850	-	-	-
599	17,666	18,265	-	-	-
-	37,066	37,066	-	-	-
-	43,194	43,194	-	-	-
599	1,261,776	1,262,375	-	-	-
5,714	134,617	48,442	-	-	91,889
-	510,500	525,057	-	-	(14,557)
-	36,614	36,614	-	-	-
-	1,078	1,078	-	-	-
1,074	-	1,074	-	-	-
-	14,787	9,309	-	-	5,478
2,789	22,646	25,435	-	-	-
-	127,400	119,264	-	-	8,136
-	560	560	-	-	-
-	11,020	6,563	-	-	4,457
10,176	2,120,998	2,035,771	-	-	95,403
-	12,161	12,161	-	-	-
-	300	300	-	-	-
-	12,461	12,461	-	-	-
\$ 10,176	\$ 3,528,602	\$ 3,443,375	\$ -	\$ -	\$ 95,403

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS

June 30, 2018

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Auburn-Washburn Unified School District No. 437 (the District) under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statement. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the regulatory basis of accounting, as described in Note 2 to the District's financial statement.

The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2018

Section I - Summary of Auditor's Results

Financial Statement

Type of report issued on whether the financial statement audited was prepared in accordance with GAAP:	Adverse
Type of auditor's report issued on the basis of accounting used by the District:	Unmodified – Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Noncompliance material to financial statement noted:	None

Federal Awards

Type of auditor's report issued on compliance for major programs:	Unmodified
Internal control over major programs:	
Material weaknesses identified	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Any audit findings that are required to be reported in accordance with Section 2 CFR 200.516(a):	None

AUBURN-WASHBURN UNIFIED SCHOOL DISTRICT NO. 437
TOPEKA, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section I - Summary of Auditor's Results (Continued)

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.553, 10.555, and 10.559 84.027 and 84.173	Child Nutrition Cluster Special Education Cluster (IDEA)
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
Auditee qualified as a low-risk auditee:	No

Section II - Financial Statement Findings

No matters reported

Section III – Federal Award Findings and Questioned Costs

No matters reported



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

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**INDEPENDENT AUDITOR'S 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
Auburn-Washburn Unified School District No. 437:

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 Auburn-Washburn Unified School District No. 437 (the District) which comprises the summary statement of regulatory basis receipts, expenditures, and unencumbered cash for the year ended June 30, 2018, and the related notes to the financial statement and have issued our report thereon dated November 29, 2018. 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the 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.

Berberich Trahan & Co., P.A.

November 29, 2018
Topeka, Kansas



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE**

Board of Education
Auburn-Washburn Unified School District No. 437:

Report on Compliance for Each Major Federal Program

We have audited Auburn-Washburn Unified School District No. 437's (the District'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 the District's major federal programs for the year ended June 30, 2018. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the 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 the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* 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 the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.

Berberich Trahan & Co., P.A.

November 29, 2018
Topeka, Kansas