

UNIFIED SCHOOL DISTRICT NO. 202

Kansas City, Kansas

Financial Statements

For the Year Ended June 30, 2019

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UNIFIED SCHOOL DISTRICT NO. 202
Financial Statements
For the Year Ended June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 202
Kansas City, Kansas

Report on the Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 202, Kansas City, Kansas, (the District), as of and for the year ended June 30, 2019 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

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 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

www.mizehouser.com ■ mhco@mizehouser.com

534 S Kansas Ave, Suite 700 ■ Topeka, KS 66603-3465 ■ 785.233.0536 p ■ 785.233.1078 f

534 S Kansas Ave, Suite 400 ■ Topeka, KS 66603-3454 ■ 785.234.5573 p ■ 785.234.1037 f

7101 College Blvd, Suite 900 ■ Overland Park, KS 66210-1984 ■ 913.451.1882 p ■ 913.451.2211 f

211 E Eighth Suite A ■ Lawrence, KS 66044-2771 ■ 785.842.8844 p ■ 785.842.9049 f

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 Unified School District No. 202, Kansas City, Kansas, as of June 30, 2019, or the respective changes in financial position and changes in cash flows, where applicable, 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, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the KMAAG described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory receipts and expenditures-actual and budget, summary of regulatory receipts and disbursements-agency funds, and the schedule of regulatory receipts, expenditures and unencumbered cash-district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statements, however they are required to be presented under the provisions of the KMAAG. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements. 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 financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2019, on our consideration of the District’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is 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 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.

Other Matter

The 2018 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2018 basic financial statement upon which we rendered an unmodified opinion dated November 6, 2018. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://da.ks.gov/ar/muniserv/>. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statements. The 2018 comparative information was subjected to auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statements or to the 2018 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 2018 comparative information is fairly presented in all material respects in relation to the 2018 basic financial statements as a whole, on the basis of accounting described in Note 1.

Mig Houser: Company PA

Certified Public Accountants
Lawrence, Kansas

November 5, 2019

UNIFIED SCHOOL DISTRICT NO. 202
 Summary Statement of Receipts, Expenditures and Unencumbered Cash
 Regulatory Basis
 For the Year Ended June 30, 2019

Fund	Beginning Unencumbered Cash Balance	Prior-Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:							
General Funds:							
General	\$ -	\$ -	\$ 28,447,996	\$ 28,447,996	\$ -	\$ 24,745	\$ 24,745
Supplemental General	457,926	3,267	8,902,252	9,103,656	259,789	148,909	408,698
Special Purpose Funds:							
At-Risk (4 Year Old)	453,114	-	400,000	298,612	554,502	25	554,527
At-Risk (K-12)	2,781,798	-	5,724,213	6,476,426	2,029,585	[10,006]	2,019,579
Bilingual Education	216,561	-	593,026	696,782	112,805	60	112,865
Virtual Education	222,400	-	45,000	63,350	204,050	-	204,050
Capital Outlay	13,195,346	-	7,359,466	2,706,291	17,848,521	259,069	18,107,590
Food Service	1,914,789	-	2,219,060	1,943,743	2,190,106	[8,891]	2,181,215
Professional Development	190,856	-	2,012	13,711	179,157	-	179,157
Special Education	6,463,129	16,332	5,362,270	6,516,569	5,325,162	6,910	5,332,072
Vocational Education	675,212	145	660,738	731,566	604,529	10,238	614,767
Parent Education Program	146,368	148	381,337	386,283	141,570	69	141,639
Student Material Revolving	1,762,986	-	350,000	439,933	1,673,053	4,081	1,677,134
KPERS Special Retirement Contribution	-	-	1,758,079	1,758,079	-	-	-
Federal Grants	[529,260]	-	2,339,515	1,748,773	61,482	10,317	71,799
District Activity	15,553	-	41,258	45,664	11,147	-	11,147
Contingency Reserve	2,297,851	-	-	-	2,297,851	-	2,297,851
Donations and Grants	45,710	-	144,959	124,319	66,350	22,583	88,933
Aquatic	94,693	-	194,438	250,037	39,094	-	39,094
Bond and Interest Fund:							
Bond and Interest	7,210,504	-	10,685,086	9,900,219	7,995,371	-	7,995,371
Capital Project Fund:							
Bond Fund	-	-	48,596,182	4,706,131	43,890,051	3,256,050	47,146,101
Total Primary Government	37,615,536	19,892	124,206,887	76,358,140	85,484,175	3,724,159	89,208,334
Related Municipal Entity:							
Recreation Commission							
General Fund	1,195,544	-	1,420,715	1,502,999	1,113,260	-	1,113,260
Employee Benefits Fund	391,557	-	164,095	95,693	459,959	60	460,019
Operating Funds	37,247	-	66,044	59,108	44,183	-	44,183
Total Related Municipal Entity	1,624,348	-	1,650,854	1,657,800	1,617,402	60	1,617,462
Total Reporting Entity (Excluding Agency Funds)	\$ 39,239,884	\$ 19,892	\$ 125,857,741	\$ 78,015,940	\$ 87,101,577	\$ 3,724,219	\$ 90,825,796

Composition of Cash

Bank of Labor	
Checking Account-District	\$ 36,059,120
Bond Proceeds-District	47,146,101
Food Service Account-District	2,177,370
Money Market Account-District	4,253,487
Petty Cash Account-District	1,369
Credit Card Service-District	46,593
Checking Accounts-Activity Funds	238,520
Operating Funds-Recreation Commission	44,183
Recreation Commission	1,545,986
Total Cash	91,512,729
Less Agency Funds per Schedule 3	<u>[686,933]</u>
Total Reporting Entity (Excluding Agency Funds)	\$ 90,825,796

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 202 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements present USD No. 202 (the primary government) and its related municipal entity. The related municipal entity is included in the District's reporting entity because of the significance of its operational and financial relationship with the District.

Related Municipal Entity. The related municipal entity section of the financial statements includes the financial data of the related municipal entity. This related municipal entity is reported separately to emphasize that it is legally separate from the District. The governing body of this related municipal entity is appointed by the District.

Recreation Commission. Turner Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission only has powers granted by K.S.A. 12-1928.

Reimbursed Expenses

Expenditures in the amount of \$18,100 and \$5,210,000 are classified as reimbursed expenses in the General Fund and Bond and Interest Fund, respectively. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

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

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

Basis of Accounting

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

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

Regulatory Basis Fund Types

In governmental accounting, 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.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types (Continued)

The following types of funds comprise the financial activities of the District for the year ended June 30, 2019:

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

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

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

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

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, student organization fund, etc.).

Fiduciary Fund - used to report assets held in a trust for others and which therefore cannot be used to support the government's own programs (i.e. permanent trust funds, etc.).

Budgetary Information

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

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 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2018-19 budget was not amended.

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 fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received, and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior years accounts payable and encumbrances.

Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

A legal operating budget is not required for capital projects funds, agency funds, and the following special purpose funds: Student Material Revolving, Contingency Reserve, District Activity, Donations and Grants, Aquatic, and the Recreation Commission Operating Fund.

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.

NOTE 2 - Deposits and Investments

Deposits. 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. As of June 30, 2019, the District held the following investments:

<u>Investment Type</u>	<u>Level 1</u>	<u>Rating</u>	<u>Weighted Average Maturity</u>
Investments by fair value level			
U.S. Treasury Notes	\$ 18,592,784	S&P AA+	Maturing 10/31/2019 - 7/15/2020
U.S. Treasury Bill	<u>26,852,838</u>	S&P A1+	Maturing 7/11/19 - 11/14/19
Total investments measured at fair value level	<u>45,445,622</u>		
Investments measured at the net asset value (NAV)			
Money Market:			
Fidelity Government Money Market Fund	<u>666,122</u>	NA	25 Days
Total investments measured at NAV	<u>666,122</u>		
Total investments measured at fair value	<u>\$ 46,111,744</u>		

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated "peak periods." All deposits were legally secured at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$43,810,816 and the bank balance was \$46,000,063. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank balance, \$1,250,000 was covered by federal depository insurance and \$44,750,063 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

At June 30, 2019, the Recreation Commission's carrying amount of deposits was \$1,590,169 and the bank balance was \$1,611,172. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 2 - Deposits and Investments (Continued)

balance, \$250,000 was covered by federal depository insurance and the remaining balance of \$1,361,172 was collateralized with securities held by the pledging financial institutions' agents in the Commission's name.

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

NOTE 3 - In-Substance Receipt in Transit

The District received \$1,464,266 in General State Aid and \$521,342 in Supplemental General State Aid subsequent to June 30, 2019 and, as required by K.S.A. 72-6466, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

NOTE 4 - Long-Term Debt

The District is subject to statutes of the State of Kansas, which limit the bonded debt outstanding to 14% of the assessed valuation. The District requested and received approval under K.S.A. 75-2315 which allows the issuance of bonded debt in excess of the general bond debt limitation.

Following is a detailed listing of the District's long-term debt:

<u>Debt Issue</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>
G.O. Bonds				
Refunding Series 2004-A	12/15/2004	\$ 31,180,000	\$ 3,400,000	3.00% - 3.25%
Refunding Series 2010	05/18/2010	2,675,000	880,000	2.50% - 3.50%
Improvement 2013	12/19/2013	19,500,000	14,940,000	3.75% - 5.00%
Improvement 2019-A	04/16/2019	44,000,000	44,000,000	2.00% - 5.00%
Refunding Series 2019-B	04/16/2019	<u>5,210,000</u>	<u>5,210,000</u>	2.55% - 2.75%
Total		<u>\$ 102,565,000</u>	<u>\$ 68,430,000</u>	

Following is a summary of changes in general obligation bonds for the year ended June 30, 2019:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
G.O. Bonds To Be Paid With Tax Levies:					
Refunding Series 2004-A	\$ 6,630,000	\$ -	\$ 3,230,000	\$ 3,400,000	\$ 263,288
Refunding Series 2010	1,150,000	-	270,000	880,000	34,456
Improvement 2013	19,500,000	-	4,560,000	14,940,000	892,475
Improvement 2019-A	-	44,000,000	-	44,000,000	-
Refunding Series 2019-B	<u>-</u>	<u>5,210,000</u>	<u>-</u>	<u>5,210,000</u>	<u>-</u>
Total	<u>\$ 27,280,000</u>	<u>\$ 49,210,000</u>	<u>\$ 8,060,000</u>	<u>\$ 68,430,000</u>	<u>\$ 1,190,219</u>

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 4 – Long-Term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 4,265,000	\$ 2,635,803	\$ 6,900,803
2021	3,340,000	2,835,416	6,900,803
2022	4,225,000	2,683,593	6,175,416
2023	4,400,000	2,505,955	6,908,593
2024	3,820,000	2,326,675	6,905,955
2025 - 2029	19,270,000	9,461,338	28,731,338
2030 - 2034	11,320,000	5,917,500	17,237,500
2035 - 2039	14,450,000	2,711,750	17,161,750
2040	3,340,000	83,500	3,423,500
	<u>\$ 68,430,000</u>	<u>\$ 31,161,529</u>	<u>\$ 100,345,657</u>

The District has also entered into several leases and other financing agreements to fund equipment, computers and other building upgrades. A summary of these financing agreements is as follows:

<u>Lease</u>	<u>Origination Date</u>	<u>Original Balance</u>	<u>June 30, 2019 Balance</u>	<u>Interest Paid</u>
HVAC Upgrades	08/04/2011	\$ 5,158,262	\$ 2,826,285	\$ 109,981
HVAC Upgrades QZAB	08/04/2011	214,000	109,594	1,923
Energy Retrofitting QZAB	08/04/2011	833,000	402,138	24,731
Revolving Note	09/15/2008	400,000	139,361	8,724
		<u>\$ 6,605,262</u>	<u>\$ 3,477,378</u>	<u>\$ 145,360</u>

Annual lease payment requirements to maturity:

<u>Leases</u>				<u>Revolving Loans</u>			
Year Ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	Year Ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 434,664	\$ 118,186	\$ 552,850	2020	\$ 32,119	\$ 7,065	\$ 39,184
2021	447,915	102,109	550,024	2021	33,869	5,315	39,184
2022	461,637	85,560	547,197	2022	35,714	3,470	39,184
2023	475,848	68,523	544,371	2023	<u>37,659</u>	<u>1,525</u>	<u>117,552</u>
2024	490,564	50,980	541,544				
2025-2026	<u>1,027,389</u>	<u>47,220</u>	<u>1,074,609</u>		<u>\$ 139,361</u>	<u>\$ 17,375</u>	<u>\$ 235,104</u>
	<u>\$ 3,338,017</u>	<u>\$ 472,577</u>	<u>\$ 3,810,594</u>				

The District issued Series 2019-B Taxable General Obligation Refunding Bonds in the amount of \$5,210,000, on April 16, 2019, to refund and redeem a portion of the District's outstanding Series 2013 General Obligation Bonds in the amount of \$4,560,000, including any interest accrued to the redemption date. As a result, the 2013 Bonds are considered to be partially defeased and the liability for the defeased bonds has been removed from the District's financial statements. The transaction resulted in an economic gain of \$57,764 and a reduction of \$57,764 in future debt payments.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 5 - Interfund Transactions

Interfund transfers for the year ended June 30, 2019, were as follows:

From	To	Amount	Regulatory Authority
General	At Risk (K-12)	\$ 2,541,660	K.S.A. 72-6478
General	Bilingual Education	93,026	K.S.A. 72-6478
General	Virtual Education	45,000	K.S.A. 72-6478
General	Capital Outlay	4,699,132	K.S.A. 72-6478
General	Special Education	3,165,945	K.S.A. 72-6478
General	Parent Education Program	30,000	K.S.A. 72-6478
General	Student Material Revolving	350,000	K.S.A. 72-6478
Supplemental General	At Risk (4 Year Old)	400,000	K.S.A. 72-6478
Supplemental General	At Risk (K-12)	3,101,238	K.S.A. 72-6478
Supplemental General	Bilingual Education	500,000	K.S.A. 72-6478
Supplemental General	Vocational Education	500,000	K.S.A. 72-6478
		<u>\$ 15,426,001</u>	

NOTE 6 - Defined Benefit Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes 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 contribution rates are withheld by their employer and paid to KPERs according to provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERs 1, KPERs 2 and KPERs 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and 12.01%, respectively, for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and the statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for House Bill 2052, 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 stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year. The first-year payment of \$6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERs

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 6 - Defined Benefit Pension Plan (Continued)

were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

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 and the Recreation Commission received and remitted amounts equal to the statutory contribution rate, which totaled \$1,758,079 and \$24,814, respectively, for the year ended June 30, 2019.

Net Pension Liability. At June 30, 2019, the proportionate share of the collective net pension liability reported by KPERS was \$36,282,191 for the District and \$177,806 for the Recreation Commission. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. 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, 2018. 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 publically available on the KPERS website at www.kpers.org or can be obtained as described above.

NOTE 7 - Termination Benefits

The District has a plan which covers personnel who voluntarily take early retirement. A certified employee is eligible for early retirement if such employee is a full-time employee, not less than 60 years of age and not more than 65 years of age, and has ten years or more of service with the District and twenty years or more of service credit with the Kansas Public Employees Retirement System. The benefits from this plan are computed using a formula based upon years of service and is payable semiannually.

The annual scheduled payments under this program are as follows:

Year <u>Ended</u>	<u>Amount</u>
6/30/2020	\$ 176,176
6/30/2021	122,475
6/30/2022	97,177
6/30/2023	85,099
6/30/2024	<u>40,450</u>
	<u>\$ 521,377</u>

NOTE 8 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of the funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District as of June 30, 2019.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Financial Statements
For the Year Ended June 30, 2019

NOTE 9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which it carries commercial insurance. The District has joined other Kansas school districts to participate in Kansas Association of School Boards (KASB) workers compensation insurance risk pool. The pool operates as a common risk management and insurance program for certain Kansas school districts. The District pays an annual premium to the pool for its workers compensation insurance coverage. The District's contractual agreement with KASB provides that KASB will be self-sustaining through member premiums and the liability limits for each accident, employee, and policy is \$1,000,000. The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 10 - Compensated Absences

The District gives each teacher ten (10) days paid annual leave for illness or personal use. This paid leave may be accumulated to a maximum of one hundred and twenty (120) days and shall include the amount allotted for the current year. The District gives classified employees, with the exception of bus drivers, leave time at a rate of one (1) work day paid leave per month of employment calculated from the original date of employment. Example, a ten (10) month employee receives ten (10) days leave time; a twelve (12) month employee receives twelve (12) days leave time. This paid leave may be accumulated to a maximum of one hundred and twenty (120) days and shall include the amount allotted for the current year. A teacher retiring from the District shall be paid at the rate of the current daily substitute pay for each day of accumulated leave upon retirement; classified employees are paid at their current rate of pay. As of June 30, 2019, the liability for accumulated leave time was \$137,786. If employees are terminated or resign, leave pay is only paid for current years' time earned but not used.

NOTE 11 - Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of 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 government 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. There is no cost to the District under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2019.

NOTE 12 – Statutory Violation

Actual exceeded budgeted expenditures in the Special Education and the Vocational Education Funds, which is a violation of K.S.A. 79-2935.

SCHEDULE 1

UNIFIED SCHOOL DISTRICT NO. 202
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019

Fund	Total Budget	Adjustment to Comply with Legal Maximum Budget	Adjustment For Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over [Under]
Governmental Type Funds:						
General Funds:						
General Fund	\$ 29,168,939	\$ [739,043]	\$ 18,100	\$ 28,447,996	\$ 28,447,996	\$ -
Supplemental General	9,103,656	-	-	9,103,656	9,103,656	-
Special Purpose Funds:						
At-Risk (4 Year Old)	300,000	-	-	300,000	298,612	1,388
At-Risk (K-12)	6,500,000	-	-	6,500,000	6,476,426	23,574
Bilingual Education	700,000	-	-	700,000	696,782	3,218
Virtual Education	200,000	-	-	200,000	63,350	136,650
Capital Outlay	7,000,000	-	-	7,000,000	2,706,291	4,293,709
Food Service	2,902,000	-	-	2,902,000	1,943,743	958,257
Professional Development	150,000	-	-	150,000	13,711	136,289
Special Education	6,500,000	-	-	6,500,000	6,516,569	[16,569]
Vocational Education	650,000	-	-	650,000	731,566	[81,566]
Parent Education Program	460,750	-	-	460,750	386,283	74,467
KPERs Special Retirement Contribution	4,532,777	-	-	4,532,777	1,758,079	2,774,698
Federal Grants	2,000,000	-	-	2,000,000	1,748,773	251,227
Bond and Interest Funds:						
Bond and Interest	4,690,219	-	5,210,000	9,900,219	9,900,219	-
Related Municipal Entity:						
Recreation Commission Funds:						
General Fund	1,957,292	-	-	1,957,292	1,502,999	454,293
Employee Benefits Fund	153,000	-	-	153,000	95,693	57,307

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
State aid				
General state aid	\$ 24,718,068	\$ 25,263,951	\$ 25,469,699	\$ [205,748]
Special education state aid	3,068,346	3,165,945	3,699,240	[533,295]
Reimbursed expense	1,242	18,100	-	18,100
Total Receipts	<u>27,787,656</u>	<u>28,447,996</u>	<u>\$ 29,168,939</u>	<u>\$ [720,943]</u>
Expenditures				
Instruction	7,877,887	8,068,623	\$ 10,092,250	\$ 2,023,627
Student support services	620,748	694,339	842,599	148,260
Instructional support staff	320,090	352,271	507,500	155,229
General administration	1,195,787	1,288,551	1,302,000	13,449
School administration	2,101,851	2,157,038	2,331,250	174,212
Central services	337,702	345,190	364,000	18,810
Operations and maintenance	3,040,332	3,444,407	3,318,250	[126,157]
Community services operations	2,916	1,783	3,500	1,717
Transportation	1,098,300	1,171,031	1,228,350	57,319
Transfers out	11,192,043	10,924,763	9,179,240	[1,745,523]
Adjustment to comply with legal max	-	-	[739,043]	[739,043]
Adjustment for qualifying budget credit	-	-	18,100	18,100
Total Expenditures	<u>27,787,656</u>	<u>28,447,996</u>	<u>\$ 28,447,996</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Prior Year Canceled Encumbrance	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

UNIFIED SCHOOL DISTRICT NO. 202
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 2,354,704	\$ 1,719,314	\$ 1,813,300	\$ [93,986]
Delinquent tax	70,309	74,603	64,161	10,442
Motor and recreational vehicle tax	297,689	285,522	233,844	51,678
In lieu of taxes - I. R. B.'s	113,086	71,542	161,822	[90,280]
State aid	<u>6,684,135</u>	<u>6,751,271</u>	<u>6,898,231</u>	<u>[146,960]</u>
Total Receipts	<u>9,519,923</u>	<u>8,902,252</u>	<u>\$ 9,171,358</u>	<u>\$ [269,106]</u>
Expenditures				
Instruction	938,994	1,130,254	\$ 1,934,802	\$ 804,548
General administration	541,849	535,273	600,000	64,727
Central services	727,470	992,995	923,135	[69,860]
Community services operations	81	680	100	[580]
Operations and maintenance	1,822,530	1,943,216	2,105,000	161,784
Transportation	6,630	-	10,850	10,850
Transfers out	5,201,071	4,501,238	3,727,935	[773,303]
Adjustment to comply with legal max	<u>-</u>	<u>-</u>	<u>[198,166]</u>	<u>[198,166]</u>
Total Expenditures	<u>9,238,625</u>	<u>9,103,656</u>	<u>\$ 9,103,656</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	281,298	[201,404]		
Unencumbered Cash, Beginning	176,628	457,926		
Prior Year Canceled Encumbrance	<u>-</u>	<u>3,267</u>		
Unencumbered Cash, Ending	<u>\$ 457,926</u>	<u>\$ 259,789</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
At Risk (4 Year Old) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Transfers in	\$ 400,000	\$ 400,000	\$ 400,000	\$ -
Total Receipts	<u>400,000</u>	<u>400,000</u>	<u>\$ 400,000</u>	<u>\$ -</u>
Expenditures				
Instruction	252,662	285,917	\$ 283,900	\$ [2,017]
School administration	14	84	16,100	16,016
Student support services	<u>12,268</u>	<u>12,611</u>	<u>-</u>	<u>[12,611]</u>
Total Expenditures	<u>264,944</u>	<u>298,612</u>	<u>\$ 300,000</u>	<u>\$ 1,388</u>
Receipts Over [Under] Expenditures	135,056	101,388		
Unencumbered Cash, Beginning	<u>318,058</u>	<u>453,114</u>		
Unencumbered Cash, Ending	<u>\$ 453,114</u>	<u>\$ 554,502</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Tuition	\$ -	\$ -	\$ 10,000	\$ [10,000]
Transfers in	5,678,368	5,642,898	4,452,935	1,189,963
Miscellaneous	17,844	81,315	30,000	51,315
Total Receipts	5,696,212	5,724,213	\$ 4,492,935	\$ 1,231,278
Expenditures				
Instruction	5,315,896	4,887,664	\$ 5,432,675	\$ 545,011
Student support services	310,779	313,998	325,500	11,502
School administration	192,395	201,767	213,150	11,383
Central services	288,968	882,575	305,825	[576,750]
Transportation	161,888	148,621	-	[148,621]
Operations and maintenance	43,177	41,801	222,850	181,049
Total Expenditures	6,313,103	6,476,426	\$ 6,500,000	\$ 23,574
Receipts Over [Under] Expenditures	[616,891]	[752,213]		
Unencumbered Cash, Beginning	3,398,689	2,781,798		
Unencumbered Cash, Ending	\$ 2,781,798	\$ 2,029,585		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Transfers in	<u>\$ 600,000</u>	<u>\$ 593,026</u>	<u>\$ 600,000</u>	<u>\$ [6,974]</u>
Total Receipts	<u>600,000</u>	<u>593,026</u>	<u>\$ 600,000</u>	<u>\$ [6,974]</u>
Expenditures				
Instruction	683,962	693,018	\$ 696,226	\$ 3,208
School administration	<u>3,763</u>	<u>3,764</u>	<u>3,774</u>	<u>10</u>
Total Expenditures	<u>687,725</u>	<u>696,782</u>	<u>\$ 700,000</u>	<u>\$ 3,218</u>
Receipts Over [Under] Expenditures	[87,725]	[103,756]		
Unencumbered Cash, Beginning	304,277	216,561		
Prior Year Canceled Encumbrance	<u>9</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 216,561</u>	<u>\$ 112,805</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Transfers in	\$ 200,000	\$ 45,000	\$ 200,000	\$ [155,000]
Total Receipts	<u>200,000</u>	<u>45,000</u>	<u>\$ 200,000</u>	<u>\$ [155,000]</u>
Expenditures				
Instruction	<u>114,900</u>	<u>63,350</u>	<u>\$ 200,000</u>	<u>\$ 136,650</u>
Total Expenditures	<u>114,900</u>	<u>63,350</u>	<u>\$ 200,000</u>	<u>\$ 136,650</u>
Receipts Over [Under] Expenditures	85,100	[18,350]		
Unencumbered Cash, Beginning	<u>137,300</u>	<u>222,400</u>		
Unencumbered Cash, Ending	<u>\$ 222,400</u>	<u>\$ 204,050</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 993,446	\$ 1,092,803	\$ 1,017,478	\$ 75,325
Delinquent tax	32,863	31,782	26,841	4,941
Motor vehicle tax	130,920	140,851	110,241	30,610
Commercial vehicle tax	-	-	6,125	[6,125]
Recreational vehicle tax	607	693	390	303
In lieu of taxes - I.R.B.'s	48,418	46,861	80,797	[33,936]
Investment income	151,448	223,031	100,000	123,031
Miscellaneous	572,540	364,000	500,000	[136,000]
State aid	739,388	760,313	771,138	[10,825]
Transfers in	2,169,623	4,699,132	2,000,000	2,699,132
Total Receipts	4,839,253	7,359,466	\$ 4,613,010	\$ 2,746,456
Expenditures				
Instruction	449,792	191,398	\$ 1,000,000	\$ 808,602
Central services	256,306	147,362	500,000	352,638
Operations and maintenance	910,325	715,284	2,305,000	1,589,716
Transportation	240,818	253,113	400,000	146,887
Debt service	1,025,392	594,861	594,861	-
Facility acquisition and construction services	1,195,068	804,273	2,200,139	1,395,866
Total Expenditures	4,077,701	2,706,291	\$ 7,000,000	\$ 4,293,709
Receipts Over [Under] Expenditures	761,552	4,653,175		
Unencumbered Cash, Beginning	12,388,477	13,195,346		
Prior Year Canceled Encumbrance	45,317	-		
Unencumbered Cash, Ending	\$ 13,195,346	\$ 17,848,521		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Federal aid	\$ 1,781,595	\$ 1,757,617	\$ 1,769,632	\$ [12,015]
State aid	26,394	21,957	19,251	2,706
Charges for services	410,276	430,945	385,416	45,529
Investment income	6,945	8,541	7,000	1,541
Miscellaneous	3,247	-	2,500	[2,500]
Total Receipts	<u>2,228,457</u>	<u>2,219,060</u>	<u>\$ 2,183,799</u>	<u>\$ 35,261</u>
Expenditures				
Food service operation	<u>1,947,037</u>	<u>1,943,743</u>	<u>\$ 2,902,000</u>	<u>\$ 958,257</u>
Total Expenditures	<u>1,947,037</u>	<u>1,943,743</u>	<u>\$ 2,902,000</u>	<u>\$ 958,257</u>
Receipts Over [Under] Expenditures	281,420	275,317		
Unencumbered Cash, Beginning	<u>1,633,369</u>	<u>1,914,789</u>		
Unencumbered Cash, Ending	<u>\$ 1,914,789</u>	<u>\$ 2,190,106</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
State aid	\$ 2,617	\$ 2,012	\$ 18,750	\$ [16,738]
Total Receipts	<u>2,617</u>	<u>2,012</u>	<u>\$ 18,750</u>	<u>\$ [16,738]</u>
Expenditures				
Instructional support staff	14,575	13,711	\$ 111,500	\$ 97,789
Central services	<u>-</u>	<u>-</u>	<u>38,500</u>	<u>38,500</u>
Total Expenditures	<u>14,575</u>	<u>13,711</u>	<u>\$ 150,000</u>	<u>\$ 136,289</u>
Receipts Over [Under] Expenditures	[11,958]	[11,699]		
Unencumbered Cash, Beginning	<u>202,814</u>	<u>190,856</u>		
Unencumbered Cash, Ending	<u>\$ 190,856</u>	<u>\$ 179,157</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Federal aid	\$ 458,314	\$ 2,184,892	\$ -	\$ 2,184,892
Miscellaneous	4,390	11,433	-	11,433
Transfers in	<u>6,465,123</u>	<u>3,165,945</u>	<u>4,374,240</u>	<u>[1,208,295]</u>
Total Receipts	<u>6,927,827</u>	<u>5,362,270</u>	<u>\$ 4,374,240</u>	<u>\$ 988,030</u>
Expenditures				
Instruction	5,164,021	5,585,631	\$ 5,484,350	\$ [101,281]
Student support services	84,842	70,207	97,200	26,993
General administration	291,348	307,827	307,500	[327]
Transportation	<u>592,684</u>	<u>552,904</u>	<u>610,950</u>	<u>58,046</u>
Total Expenditures	<u>6,132,895</u>	<u>6,516,569</u>	<u>\$ 6,500,000</u>	<u>\$ [16,569]</u>
Receipts Over [Under] Expenditures	794,932	[1,154,299]		
Unencumbered Cash, Beginning	5,664,697	6,463,129		
Prior Year Canceled Encumbrance	<u>3,500</u>	<u>16,332</u>		
Unencumbered Cash, Ending	<u>\$ 6,463,129</u>	<u>\$ 5,325,162</u>		

UNIFIED SCHOOL DISTRICT NO. 202
Vocational Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Federal aid	\$ 16,297	\$ 74,116	\$ 40,983	\$ 33,133
State aid	2,526	2,612	2,552	60
Miscellaneous	61,826	84,010	-	84,010
Transfers in	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Receipts	<u>580,649</u>	<u>660,738</u>	<u>\$ 543,535</u>	<u>\$ 117,203</u>
Expenditures				
Instruction	578,824	708,073	\$ 604,650	\$ [103,423]
Instructional support staff	<u>40,967</u>	<u>23,493</u>	<u>45,350</u>	<u>21,857</u>
Total Expenditures	<u>619,791</u>	<u>731,566</u>	<u>\$ 650,000</u>	<u>\$ [81,566]</u>
Receipts Over [Under] Expenditures	[39,142]	[70,828]		
Unencumbered Cash, Beginning	714,351	675,212		
Prior Year Canceled Encumbrance	<u>3</u>	<u>145</u>		
Unencumbered Cash, Ending	<u>\$ 675,212</u>	<u>\$ 604,529</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Parent Education Program Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
State aid	\$ 162,574	\$ 157,938	\$ 200,000	\$ [42,062]
Federal aid	217,028	193,399	250,000	[56,601]
Transfers in	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total Receipts	<u>409,602</u>	<u>381,337</u>	<u>\$ 480,000</u>	<u>\$ [98,663]</u>
Expenditures				
Student support services	<u>346,495</u>	<u>386,283</u>	<u>\$ 460,750</u>	<u>\$ 74,467</u>
Total Expenditures	<u>346,495</u>	<u>386,283</u>	<u>\$ 460,750</u>	<u>\$ 74,467</u>
Receipts Over [Under] Expenditures	63,107	[4,946]		
Unencumbered Cash, Beginning	82,014	146,368		
Prior Year Canceled Encumbrance	<u>1,247</u>	<u>148</u>		
Unencumbered Cash, Ending	<u>\$ 146,368</u>	<u>\$ 141,570</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Student Material Revolving Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2019 and 2018

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Transfer in	\$ 350,000	\$ 350,000
Total Receipts	<u>350,000</u>	<u>350,000</u>
Expenditures		
Instruction	<u>141,021</u>	<u>439,933</u>
Total Expenditures	<u>141,021</u>	<u>439,933</u>
Receipts Over [Under] Expenditures	208,979	[89,933]
Unencumbered Cash, Beginning	<u>1,554,007</u>	<u>1,762,986</u>
Unencumbered Cash, Ending	<u>\$ 1,762,986</u>	<u>\$ 1,673,053</u>

* This fund is not required to be budgeted.

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UNIFIED SCHOOL DISTRICT NO. 202
 KPERS Special Retirement Contribution Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
State aid	\$ 3,186,710	\$ 1,758,079	\$ 4,532,777	\$ [2,774,698]
Total Receipts	<u>3,186,710</u>	<u>1,758,079</u>	<u>\$ 4,532,777</u>	<u>\$ [2,774,698]</u>
Expenditures				
Instruction	2,103,228	1,160,331	\$ 2,991,633	\$ 1,831,302
Student support services	127,468	70,323	181,311	110,988
Instructional support staff	31,867	17,581	45,328	27,747
General administration	31,867	17,581	45,327	27,746
School administration	159,336	87,904	226,639	138,735
Central services	63,734	35,162	90,656	55,494
Operations and maintenance	254,937	140,646	362,622	221,976
Transportation	223,070	123,066	317,294	194,228
Food service	<u>191,203</u>	<u>105,485</u>	<u>271,967</u>	<u>166,482</u>
Total Expenditures	<u>3,186,710</u>	<u>1,758,079</u>	<u>\$ 4,532,777</u>	<u>\$ 2,774,698</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Federal Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019

	Low Income Title I	Homeless	Title I Migrant	Title IIA
Receipts				
Federal aid	\$ 1,917,803	\$ 10,992	\$ 28,325	\$ 230,356
Total Receipts	<u>1,917,803</u>	<u>10,992</u>	<u>28,325</u>	<u>230,356</u>
Expenditures				
Instruction	<u>1,391,572</u>	<u>3,546</u>	<u>18,049</u>	<u>226,823</u>
Total Expenditures	<u>1,391,572</u>	<u>3,546</u>	<u>18,049</u>	<u>226,823</u>
Receipts Over [Under] Expenditures	526,231	7,446	10,276	3,533
Unencumbered Cash, Beginning	<u>[408,728]</u>	<u>[8,892]</u>	<u>[1,521]</u>	<u>[68,662]</u>
Unencumbered Cash, Ending	<u>\$ 117,503</u>	<u>\$ [1,446]</u>	<u>\$ 8,755</u>	<u>\$ [65,129]</u>

<u>Title III</u>	<u>Title IV</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Over [Under]</u>
\$ 108,462	\$ 43,577	\$ 2,339,515	\$ 1,639,772	\$ 699,743
<u>108,462</u>	<u>43,577</u>	<u>2,339,515</u>	<u>\$ 1,639,772</u>	<u>\$ 699,743</u>
<u>63,495</u>	<u>45,288</u>	<u>1,748,773</u>	<u>\$ 2,000,000</u>	<u>\$ 251,227</u>
<u>63,495</u>	<u>45,288</u>	<u>1,748,773</u>	<u>\$ 2,000,000</u>	<u>\$ 251,227</u>
44,967	[1,711]	590,742		
<u>[39,286]</u>	<u>[2,171]</u>	<u>[529,260]</u>		
<u>\$ 5,681</u>	<u>\$ [3,882]</u>	<u>\$ 61,482</u>		

See independent auditor's report on the financial statements.

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UNIFIED SCHOOL DISTRICT NO. 202
Contingency Reserve Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2019 and 2018

	Prior Year Actual	Current Year Actual
Receipts		
Transfers in	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Instruction	-	-
Total Expenditures	-	-
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	<u>2,297,851</u>	<u>2,297,851</u>
Unencumbered Cash, Ending	<u>\$ 2,297,851</u>	<u>\$ 2,297,851</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Donations and Grants Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Misc	Kauffman Fdn Grant	USA Funds	Verizon Wireless Grant	Safe and Secure	School Leadership
Receipts						
Other grants	\$ 1,827	\$ 12,270	\$ -	\$ -	\$ 76,805	\$ 20,000
Total Receipts	<u>1,827</u>	<u>12,270</u>	<u>-</u>	<u>-</u>	<u>76,805</u>	<u>20,000</u>
Expenditures						
Instruction	<u>7,246</u>	<u>13,228</u>	<u>-</u>	<u>694</u>	<u>62,621</u>	<u>18,000</u>
Total Expenditures	<u>7,246</u>	<u>13,228</u>	<u>-</u>	<u>694</u>	<u>62,621</u>	<u>18,000</u>
Receipts Over [Under] Expenditures	[5,419]	[958]	-	[694]	14,184	2,000
Unencumbered Cash, Beginning	<u>35,658</u>	<u>[2,986]</u>	<u>12,000</u>	<u>1,007</u>	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 30,239</u>	<u>\$ [3,944]</u>	<u>\$ 12,000</u>	<u>\$ 313</u>	<u>\$ 14,184</u>	<u>\$ 2,000</u>

* These funds are not required to be budgeted.

Link	TLB	Pledgecents Grant	Fuel Up to Play 60 Grant	Current Year Totals	Prior Year Totals
<u>\$ 19,440</u>	<u>\$ 12,500</u>	<u>\$ -</u>	<u>\$ 2,117</u>	<u>\$ 144,959</u>	<u>\$ 24,000</u>
<u>19,440</u>	<u>12,500</u>	<u>-</u>	<u>2,117</u>	<u>144,959</u>	<u>24,000</u>
<u>7,319</u>	<u>13,169</u>	<u>-</u>	<u>2,042</u>	<u>124,319</u>	<u>30,208</u>
<u>7,319</u>	<u>13,169</u>	<u>-</u>	<u>2,042</u>	<u>124,319</u>	<u>30,208</u>
12,121	[669]	-	75	20,640	[6,208]
<u>-</u>	<u>-</u>	<u>17</u>	<u>14</u>	<u>45,710</u>	<u>51,918</u>
<u>\$ 12,121</u>	<u>\$ [669]</u>	<u>\$ 17</u>	<u>\$ 89</u>	<u>\$ 66,350</u>	<u>\$ 45,710</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Aquatic Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2019 and 2018

	Prior Year Actual	Current Year Actual
Receipts		
Charges for services	\$ 29,205	\$ 194,388
Reimbursements	134,224	-
Miscellaneous	8,378	50
Total Receipts	171,807	194,438
Expenditures		
Student activities	253,873	250,037
Total Expenditures	253,873	250,037
Receipts Over [Under] Expenditures	[82,066]	[55,599]
Unencumbered Cash, Beginning	176,759	94,693
Unencumbered Cash, Ending	\$ 94,693	\$ 39,094

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 1,667,297	\$ 1,834,280	\$ 1,707,372	\$ 126,908
Delinquent tax	55,441	53,879	45,060	8,819
Motor and recreational vehicle tax	225,387	237,477	195,878	41,599
In lieu of taxes - I. R. B.'s	115,299	113,199	135,549	[22,350]
Bond proceeds	-	5,210,000	-	5,210,000
State aid	3,279,111	3,236,251	3,236,251	-
Total Receipts	<u>5,342,535</u>	<u>10,685,086</u>	<u>\$ 5,320,110</u>	<u>\$ 5,364,976</u>
Expenditures				
Principal	3,320,000	8,628,084	\$ 3,500,000	\$ [5,128,084]
Interest and other bond costs	1,364,444	1,272,135	1,190,219	[81,916]
Adjustment for qualifying budget credit	-	-	5,210,000	5,210,000
Total Expenditures	<u>4,684,444</u>	<u>9,900,219</u>	<u>\$ 9,900,219</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	658,091	784,867		
Unencumbered Cash, Beginning	<u>6,552,413</u>	<u>7,210,504</u>		
Unencumbered Cash, Ending	<u>\$ 7,210,504</u>	<u>\$ 7,995,371</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Bond Fund*
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2019

Receipts	
Investment income	\$ 211,139
Bond premium	4,385,043
Bond proceeds	<u>44,000,000</u>
Total Receipts	<u>48,596,182</u>
Expenditures	
Facility acquisition and construction services	<u>4,706,131</u>
Total Expenditures	<u>4,706,131</u>
Receipts Over [Under] Expenditures	43,890,051
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 43,890,051</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Recreation Commission General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 745,086	\$ 819,602	\$ 761,007	\$ 58,595
Delinquent tax	24,516	23,745	20,131	3,614
Motor and recreational vehicle tax	98,645	106,163	87,557	18,606
In lieu of taxes - I. R. B.'s	36,314	-	60,590	[60,590]
Investment income	6,314	6,505	-	6,505
Charges for services	<u>518,102</u>	<u>464,700</u>	<u>596,300</u>	<u>[131,600]</u>
Total Receipts	<u>1,428,977</u>	<u>1,420,715</u>	<u>\$ 1,525,585</u>	<u>\$ [104,870]</u>
Expenditures				
Community service operations	<u>1,319,418</u>	<u>1,502,999</u>	<u>\$ 1,957,292</u>	<u>\$ 454,293</u>
Total Expenditures	<u>1,319,418</u>	<u>1,502,999</u>	<u>\$ 1,957,292</u>	<u>\$ 454,293</u>
Receipts Over [Under] Expenditures	109,559	[82,284]		
Unencumbered Cash, Beginning	1,053,986	1,195,544		
Prior Year Canceled Encumbrances	<u>31,999</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 1,195,544</u>	<u>\$ 1,113,260</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Recreation Commission Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 124,309	\$ 136,596	\$ 127,214	\$ 9,382
Delinquent tax	4,127	3,948	3,358	590
Motor and recreational vehicle tax	16,796	17,693	14,579	3,114
In lieu of taxes - I. R. B.'s	6,057	5,858	10,089	[4,231]
Miscellaneous	-	-	6,000	[6,000]
Total Receipts	<u>151,289</u>	<u>164,095</u>	<u>\$ 161,240</u>	<u>\$ 2,855</u>
Expenditures				
Community service operations	<u>92,183</u>	<u>95,693</u>	<u>\$ 153,000</u>	<u>\$ 57,307</u>
Total Expenditures	<u>92,183</u>	<u>95,693</u>	<u>\$ 153,000</u>	<u>\$ 57,307</u>
Receipts Over [Under] Expenditures	59,106	68,402		
Unencumbered Cash, Beginning	<u>332,451</u>	<u>391,557</u>		
Unencumbered Cash, Ending	<u>\$ 391,557</u>	<u>\$ 459,959</u>		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Recreation Commission Operating Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2019 and 2018

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Program revenues	<u>\$ 93,627</u>	<u>\$ 66,044</u>
Total Receipts	<u>93,627</u>	<u>66,044</u>
Expenditures		
Program expenses	<u>77,980</u>	<u>59,108</u>
Total Expenditures	<u>77,980</u>	<u>59,108</u>
Receipts Over [Under] Expenditures	15,647	6,936
Unencumbered Cash, Beginning	<u>21,600</u>	<u>37,247</u>
Unencumbered Cash, Ending	<u>\$ 37,247</u>	<u>\$ 44,183</u>

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 202
Student Organization and Other Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2019

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Turner Sixth Grade Academy				
Bank Interest	\$ 96	\$ 47	\$ -	\$ 143
STUCO	4,080	1,717	2,607	3,190
iPad Revenue	6,671	5,992	60	12,603
TSGA Library Fee	437	-	-	437
TSGA Yearbook	566	1,733	2,030	269
School Fund	[185]	930	1,387	[642]
Staff Fund	[802]	-	1,196	[1,998]
Petty Cash	169	383	100	452
Subtotal Turner Sixth Grade Academy	<u>11,032</u>	<u>10,802</u>	<u>7,380</u>	<u>14,454</u>
ELEMENTARY SCHOOLS				
Junction Elementary				
Community Service Club	1,795	19,023	19,132	1,686
DeMoss Seating Grant	9	-	-	9
Library Books	696	270	85	881
JU Sales Tax	90	91	-	181
Music	-	15	-	15
Petty Cash	328	50	43	335
Playground Equipment	527	-	520	7
Programs	359	-	347	12
Social Committee	-	840	807	33
Student Council Sales	1,761	171	559	1,373
Student Council Yearbook	3,847	1,284	1,245	3,886
Subtotal Junction Elementary	<u>9,412</u>	<u>21,744</u>	<u>22,738</u>	<u>8,418</u>
Oak Grove Elementary				
Pepsi Commission	[284]	2,070	1,076	710
Bank Interest	240	25	201	64
Social Club	146	554	570	130
Library	232	377	462	147
Petty Cash	406	279	250	435
Sales Tax	1,129	445	531	1,043
Student Council	2,642	1,867	3,220	1,289
Student Celebration	2,828	7,895	9,500	1,223
Yearbook	946	5,533	5,144	1,335
Subtotal Oak Grove Elementary	<u>8,285</u>	<u>19,045</u>	<u>20,954</u>	<u>6,376</u>
Turner Elementary				
Art Club	84	-	-	84
Care Club	172	-	-	172
Field Trips	12	-	12	-
Library Books	1,173	239	288	1,124
Petty Cash	400	1,604	1,604	400
Sales Tax	111	3,165	3,258	18
School Store	493	5,840	6,105	228
Staff	[231]	2,832	1,732	869
Student Fund (General)	1,539	7,204	8,530	213
Student Fund (Stuco)	-	122	-	122
VANCO Services	1	1,800	1,419	382
Yearbooks	842	3,330	3,818	354
Subtotal Turner Elementary School	<u>4,596</u>	<u>26,136</u>	<u>26,766</u>	<u>3,966</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Student Organization and Other Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2019

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
ELEMENTARY SCHOOLS (Continued)				
Midland Trail Elementary				
Building fund	\$ 507	\$ 10,531	\$ 10,143	\$ 895
Library	120	20	41	99
Petty Cash	33	-	-	33
School Store	18	-	-	18
Student Council Yearbooks	3,499	2,916	6,364	51
Subtotal Midland Trail Elementary School	<u>4,177</u>	<u>13,467</u>	<u>16,548</u>	<u>1,096</u>
Subtotal All Elementary Schools	<u>26,470</u>	<u>80,392</u>	<u>87,006</u>	<u>19,856</u>
MIDDLE SCHOOL				
Turner Middle School				
AP Fund	134	-	113	21
Art	1,836	1,837	2,603	1,070
Athletics	1,070	700	1,578	192
Band	21	-	19	2
Boxtops for Education	966	-	-	966
Cheerleading	2,375	3,646	3,409	2,612
Cheerleading (7th Grade)	1,528	3,624	3,173	1,979
Chorale	381	-	-	381
Clothing Donation	128	-	-	128
Debate	344	91	44	391
Drama Club	480	225	255	450
FACS	1,746	2,150	2,272	1,624
Faculty Fund	1	-	-	1
In and Out	24	2,785	2,785	24
Industrial Arts	806	1,555	1,511	850
Industrial Technology	2,022	936	-	2,958
JAG	2,552	-	992	1,560
Language Arts	9	-	-	9
Lego League	2	313	295	20
Outdoor Leadership Team	160	-	-	160
Pep Club	43	-	-	43
Petty Cash	1,095	-	60	1,035
Sales Tax	549	261	294	516
Science Classes	1,806	1,697	844	2,659
Science Club	1,554	-	369	1,185
Stand for the Silent	5	-	-	5
Student Council	301	124	140	285
Student Recognition	946	1,818	2,266	498
Student Returns	409	503	727	185
TMS iPad	456	12,159	10,000	2,615
Track and Field	300	-	288	12
Transition Class	-	490	416	74
United Way	500	-	478	22
Weight Room	9	-	-	9
Yearbook	3,225	4,996	2,322	5,899
Total Middle School	<u>27,783</u>	<u>39,910</u>	<u>37,253</u>	<u>30,440</u>

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Student Organization and Other Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2019

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
HIGH SCHOOL				
Art/Photo	\$ 1,857	\$ 3,132	\$ 3,033	\$ 1,956
Athletic Booster Club	2,131	2,784	665	4,250
Auto Mechanics Fee	2,439	361	814	1,986
Band Fees	460	1,930	1,901	489
Band Tour	2,991	27,427	19,276	11,142
Baseball Team	1,115	4,228	2,409	2,934
Battle of the Books	158	-	-	158
Beartones	908	5,456	5,774	590
Book Club	769	113	-	882
Book Rent	2,098	246	-	2,344
Booster	8	-	-	8
Bowling Team	278	2,927	2,798	407
Boys Basketball Team	475	504	87	892
BPA	9,015	15,392	18,055	6,352
Building Trades Fee	1,154	454	1,046	562
Business & Computer Fees	9,455	2,527	2,093	9,889
Calculator Rental & Loss	2,172	150	-	2,322
Career Association (JAG)	78	33	-	111
Career Preparation	219	-	-	219
Catering Club	846	-	-	846
Cheerleading	12,997	18,069	25,561	5,505
Choir Fee	1,404	215	-	1,619
Ci3T	3,384	1,097	3,473	1,008
Club of Rock	1	-	-	1
Clothing Fee	1,820	165	141	1,844
Culinary Arts Fee	11,679	2,568	4,967	9,280
Debate	124	50	15	159
DECA	5,756	4,532	8,679	1,609
Drama	894	1,293	1,010	1,177
Drill Team	94	4,758	4,367	485
Encounter the King (Club 121)	382	-	-	382
FCCLA	848	-	-	848
Flag Team	21	-	-	21
Football Team	4,117	7,858	9,622	2,353
Forensics	187	34	185	36
French Club	8	-	-	8
Freshman Academy	140	-	42	98
Girls Basketball Team	532	4,993	5,047	478
Golf Team	38	149	165	22
Health Awareness	101	-	-	101
iPad Usage Revenue	3,981	12,142	15,887	236
Jazz Band Scholarship	18	1,117	1,050	85
Hope Memorial Golf Tournament	230	-	-	230
Jones Scholarship	-	6,000	6,000	-
Junior Class	8,733	6,967	12,846	2,854
KAYS	3,311	590	286	3,615
KC Pet Project	-	30	-	30
Language Arts	207	-	-	207
Link Crew	35	205	229	11

UNIFIED SCHOOL DISTRICT NO. 202
Student Organization and Other Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2019

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
HIGH SCHOOL (Continued)				
Louder Than a Bomb	\$ 487	\$ -	\$ 44	\$ 443
MAGE	88	-	-	88
Middle School Fees	-	1,904	1,597	307
Multicultural Club	230	-	-	230
Musical & Spring Play	694	10,577	10,612	659
National Art Honor Society	48	-	46	2
NHS	698	741	784	655
PE Fees	4,856	2,081	3,673	3,264
Senior Class Fund	8,063	4,173	7,794	4,442
Project Graduation	3,001	11,751	9,080	5,672
PSAT & Plan Testing	110	706	672	144
Sales Tax	207	9,719	9,926	-
School Store	4,908	15,788	20,264	432
Science Club	418	-	418	-
Science Fees	13,781	2,821	8,328	8,274
Senior Gift	779	-	-	779
Soccer Team	1,382	380	1,286	476
Social Studies Grant	1,279	250	-	1,529
Softball Team	1,698	2,582	3,417	863
Spanish Club	25	-	-	25
SPED - Coffee Shop	1,142	20,258	18,308	3,092
STEM	631	3,122	3,122	631
Student Council	8,684	5,853	3,061	11,476
Student Interest	1,706	5,030	5,816	920
Student Safety	396	700	700	396
Swim Fees	302	170	5	467
Swim Team Boys	177	35	90	122
Swim Team Girls	36	-	-	36
Thespians Troupe	34	4,197	3,932	299
THS Choir Sound Shells	2,500	-	-	2,500
Track Club	1,305	964	1,087	1,182
VANCO Services	5,342	23,018	14,259	14,101
Vica Auto	1,902	3,984	5,531	355
Vica Carpentry	700	6,636	4,133	3,203
Vica Printing	544	19	-	563
Volleyball Team	3,021	4,888	4,790	3,119
Wrestling Team	1,713	4,775	3,717	2,771
Yearbook	10,642	20,952	19,992	11,602
Subtotal High School	<u>183,197</u>	<u>308,570</u>	<u>324,007</u>	<u>167,760</u>
JOURNEY SCHOOL OF CHOICE				
Interest	7	3	-	10
Pepsi Recycling	263	-	-	263
Staff Funds	1,107	-	-	1,107
Student Funds	[354]	1,579	793	432
Subtotal Journey School of Choice	<u>1,023</u>	<u>1,582</u>	<u>793</u>	<u>1,812</u>
TOTAL ALL STUDENT ORGANIZATION FUNDS	249,505	441,256	456,439	234,322
CLEARING ACCOUNT	4,637	212	24,379	[19,530]
INSURANCE RESERVE	<u>174,724</u>	<u>331,225</u>	<u>33,808</u>	<u>472,141</u>
TOTAL STUDENT ORGANIZATION AND OTHER AGENCY FUNDS	<u>\$ 428,866</u>	<u>\$ 772,693</u>	<u>\$ 514,626</u>	<u>\$ 686,933</u>

See independent auditor's report on the financial statements.

SCHEDULE 4

UNIFIED SCHOOL DISTRICT NO. 202
 District Activity
 Schedule of Receipts, Expenditures, and Unencumbered Cash
 Regulatory Basis
 For the Year Ended June 30, 2019

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
District							
Petty Cash	\$ 6,950	\$ -	\$ -	\$ -	\$ 6,950	\$ -	\$ 6,950
High School							
Petty Cash	1,054	-	-	-	1,054	-	1,054
Turner High School - Athletics	7,549	-	41,258	45,664	3,143	-	3,143
Subtotal High School	8,603	-	41,258	45,664	4,197	-	4,197
Total Receipts	\$ 15,553	\$ -	\$ 41,258	\$ 45,664	\$ 11,147	\$ -	\$ 11,147

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 202
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
<u>U.S. Department of Education</u>					
Passed Through State Department of Education:					
Title I Grants to Local Educational Agencies	84.010	\$ [408,728]	\$ 1,917,803	\$ 1,391,572	\$ 117,503
Title I Migrant	84.011	[1,522]	<u>28,325</u>	<u>18,048</u>	8,755
Special Education (IDEA) Cluster:					
Special Education Grants to States	84.027	[5,860]	1,702,560	1,696,700	-
Special Education - Preschool Grants	84.173	-	<u>78,104</u>	<u>78,104</u>	-
Total Special Education (IDEA) Cluster		[5,860]	1,780,664	1,774,804	-
Vocational Education Basic Grants to States	84.048	[24,679]	74,116	49,437	-
Homeless Child	84.196	[8,892]	10,992	3,546	[1,446]
English Language Acquisition Grants	84.365	[39,286]	108,462	63,495	5,681
Improving Teacher Quality State Grants	84.367	[68,662]	230,456	226,923	[65,129]
Temporary Emergency Impact Aid for Displaced Student	84.938	-	67,250	67,250	-
Student Support and Academic Enrichment Program	84.424	[2,171]	<u>43,577</u>	<u>45,288</u>	[3,882]
Total U.S. Department of Education			<u>4,261,645</u>	<u>3,640,363</u>	
<u>U.S. Department of Agriculture</u>					
Passed Through State Department of Education:					
Child Nutrition Cluster:					
School Breakfast Program	10.553	-	354,054	354,054	-
National School Lunch Program	10.555	-	1,363,812	1,363,812	-
Summer Food Service Program for Children	10.559	-	<u>39,751</u>	<u>39,751</u>	-
Total Child Nutrition Cluster		-	1,757,617	1,757,617	-
State Administrative Expenses for Child Nutrition	10.560	-	<u>50</u>	<u>50</u>	-
Total U.S. Department of Agriculture			<u>1,757,667</u>	<u>1,757,667</u>	
Total Expenditures of Federal Awards			<u>\$ 6,019,312</u>	<u>\$ 5,398,030</u>	

The accompanying notes are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 202
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

1. Organization

Unified School District No. 202, Kansas City, Kansas, (the District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. The District elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position at June 30, 2019.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants at June 30, 2019.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 202
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

	Unmodified (Regulatory Basis) <u>Adverse (GAAP)</u>
Type of auditor's report issued:	
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u> X </u> No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u> X </u> None reported
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Uniform Guidance?	_____ Yes <u> X </u> No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010 84.027, 84.173	Title I Grants to Local Educational Agencies Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs:	<u>\$750,000</u>
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Auditee qualified as low-risk auditee?	_____ Yes <u> X </u> No
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UNIFIED SCHOOL DISTRICT NO. 202
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended June 30, 2019

Section II - Financial Statement Findings

Prior Year Findings

<u>Program</u>	<u>Finding</u>	<u>Conditions</u>	<u>Criteria</u>	<u>Questioned Costs</u>	<u>Recommendation</u>	<u>Status</u>
Not Applicable	2018-1	We noted separation of duties issues regarding activity fund internal controls at multiple schools. Bookkeepers at several schools issued receipts, posted amounts to the system, prepared the deposit and reconciled the bank account. In addition, we were informed that one school does not always issue receipts.	Recommended Practices	Not determined.	We recommend that the District require a separation of duties in the area of activity fund receipting. An individual independent of the receipting process should prepare a reconciliation between the receipts issued and the amounts deposited into the bank account. In addition, we recommend that receipts be issued for all payments to the schools and each school should prepare purchase orders for all disbursements.	Resolved.

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

Child Nutrition Cluster	2018-2	We noted that several reports provided to KSDE were not reviewed and approved by an individual independent of the report preparation process.	Internal controls are designed to safeguard assets and help prevent and detect losses from employee error or dishonesty. Approval of the reports, by an individual independent of the process, is a vital component of the internal control structure.	The District's management did not properly notate approval of the reporting by an individual independent of the reporting preparation process.	Controls are not in effect to safeguard assets and help prevent or detect losses from employee error or dishonesty.	Not determined.
		<u>Perspective Information</u> We believe this is a systemic problem as controls over approval of reporting have not been established.	<u>Recommendations</u> We recommend that all reports be appropriately reviewed and approved by a member of District management that is independent of the report preparation.	<u>Status</u> Resolved.		

Current Year Findings

None Noted.



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

Board of Education
Unified School District No. 202
Kansas City, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statements of the Unified School District No. 202, (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 5, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 opinions on the financial statements, 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 controls 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 charge with governance.

Our consideration of internal control over financial reporting 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

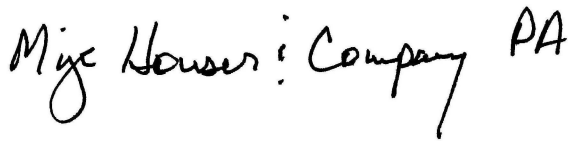
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

However, we noted certain other matters that we reported to management of the District in a separate letter dated November 5, 2019.

Purpose of this Report

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

A handwritten signature in black ink that reads "Mike Houser: Company PA". The signature is written in a cursive style.

Certified Public Accountants
Lawrence, Kansas

November 5, 2019



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

Board of Education
Unified School District No. 202
Kansas City, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of the Unified School District No. 202, (the District) 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, 2019. The District's major federal financial programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of 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 State of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Kansas Municipal Audit and Accounting Guide. 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 on the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

Our consideration of the 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 the 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.

Mize Houser & Company PA

Certified Public Accountants
Lawrence, Kansas

November 5, 2019