

Unified School District Number 214

Ulysses, Kansas

For the Year Ended June 30, 2019

Unified School District Number 214
 Ulysses, Kansas
 Financial Statement
 For the Year Ended June 30, 2019

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Dirks, Anthony & Duncan, LLC

Certified Public Accountants & Management Consultants

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying fund summary statement of regulatory receipts, expenditures, and unencumbered cash of Unified School District Number 214, Ulysses, Kansas, as of and for the year ended June 30, 2019 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District Number 214 as of June 30, 2019, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District Number 214 as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of receipts and expenditures, schedule of receipts and cash disbursements (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District Number 214, Ulysses, Kansas, as of and for the year ended June 30, 2018, and have issued our reported thereon dated November 30, 2018, which contained an unmodified opinion on the basic financial statement. 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://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2018 (Schedule 2 as listed in the table of contents) is presented for the purposes of additional analysis and is not a required part of the basic financial statement. Such 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 statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement 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 stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2018, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise Unified School District Number 214, Ulysses, Kansas's basic financial statement. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statement.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. Such 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 basic financial statement or the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement taken 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 reported dated December 11, 2019, on our consideration of the Unified School District Number 214's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Unified School District Number 214's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District Number 214's internal control over financial reporting and compliance.



DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

December 11, 2019

Unified School District Number 214

Ulysses, Kansas

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Unified School District Number 214
Ulysses, Kansas
Summary of Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2019

Fund	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	\$ -	\$11,003,253	\$11,003,253	\$ -	\$ 215,287	\$ 215,287
Supplemental General	212,129	3,509,054	3,516,117	205,066	28,406	233,472
Special Purpose Funds:						
KPERS Special Retirement	-	985,886	985,886	-	-	-
Adult Education	82,081	35,292	46,070	71,303	120	71,423
At-Risk (4 Year Old)	125,809	155,000	160,710	120,099	-	120,099
At-Risk (K-12)	258,424	2,002,494	2,006,328	254,590	-	254,590
Bilingual Education	148,581	395,000	396,283	147,298	-	147,298
Virtual Education	220,568	88,275	49,106	259,737	-	259,737
Capital Outlay	2,432,760	1,534,251	808,244	3,158,767	321,126	3,479,893
Driver Training	56,694	23,250	18,869	61,075	-	61,075
Food Service	252,950	959,051	971,511	240,490	3,983	244,473
Professional Development	83,648	68,456	60,943	91,161	2,940	94,101
Special Education	1,037,053	1,393,677	1,396,789	1,033,941	-	1,033,941
Career and Technical Education	203,668	257,686	261,205	200,149	3,743	203,892
Contingency Reserve	1,114,974	-	92,443	1,022,531	-	1,022,531
Rec. Commission - General	29,411	1,032,886	995,000	67,297	-	67,297
Rec. Commission - Emp. Benefits	8,220	289,366	280,000	17,586	-	17,586
Textbook Rental	414,595	58,417	59,476	413,536	50,235	463,771
Health Insurance	1,261,732	1,378,108	1,294,629	1,345,211	-	1,345,211
State, Federal and Other Grants	18,652	673,322	676,912	15,062	42,099	57,161
District Activity	73,840	556,428	543,896	86,372	206	86,578
Debt Service Fund:						
Bond & Interest	138,777	40	-	138,817	-	138,817
Total Primary Government	\$ 8,174,566	\$26,399,192	\$25,623,670	\$ 8,950,088	\$ 668,145	\$ 9,618,233

Composition Of Cash**Grant County Bank; Ulysses, KS**

District Checking	\$ 1,561,133
Profit Planner	1,550,270
District Activity	50,629
Sullivan Pop	547
Hickok Hospitality	1,238
High School Activity	125,893
Kepley Educator	432
Kepley School Activity	19,645

First National Bank; Ulysses, KS

General Account	6,403,155
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Bank of Ulysses; Ulysses, KS

General Account	17,098
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Total Cash	<u>\$ 9,730,040</u>
Agency Funds Per Schedule 4	<u>(111,807)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 9,618,233</u>

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

Unified School District Number 214

Ulysses, Kansas

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UNIFIED SCHOOL DISTRICT NUMBER 214

Ulysses, Kansas

Notes to the Financial Statement

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial Reporting Entity

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

Component Unit

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

b) Regulatory Basis Fund Types

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

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

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

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

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

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

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

c) Basis of Accounting

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

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

UNIFIED SCHOOL DISTRICT NUMBER 214

Ulysses, Kansas

Notes to the Financial Statement

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

d) Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendment for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital projects funds, trust funds and the following special purpose funds:

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

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

e) Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly reflected as offset by the reimbursements. Expenditures for the year ended June 30, 2019, in the amount of \$6,010 are classified as reimbursed expenses in the General Fund. These expenditures are for general purposes and are exempt from the budget law under K.S.A. 72-5390.

NOTE 2 – DEPOSITS AND INVESTMENTS

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

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements;

UNIFIED SCHOOL DISTRICT NUMBER 214

Ulysses, Kansas

Notes to the Financial Statement

June 30, 2019

NOTE 2 – DEPOSITS AND INVESTMENTS, CONTINUED

and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

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

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

At June 30, 2019 the carrying amount of the District's deposits, including certificates of deposit, was \$9,730,040 and the bank balance was \$10,350,089. The bank balance was held by three banks, resulting in a concentration of credit risk. Of the bank balance, \$750,000 was covered by federal depository insurance, and the remaining \$9,832,990 was collateralized with securities held by the pledging financial institution's agents in the District's name.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments of this type at June 30, 2019.

NOTE 3 – RETIREMENT PLAN

General Information about the Pension Plan

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

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

State law provides that the employer contribution rates for KPERs 1, KPERs 2 and KPERs 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% 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 contribution 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 dollars per year. The first year payment of \$6.4 million was received in July 2017.

UNIFIED SCHOOL DISTRICT NUMBER 214

Ulysses, Kansas

Notes to the Financial Statement

June 30, 2019

NOTE 3 – RETIREMENT PLAN, CONTINUED

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS 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 \$1.94 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 for the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$985,886 for the year ended June 30, 2019.

Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$13,787,517. 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 contribution to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2018. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

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

NOTE 4 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

Sick Leave. District employees who regularly work more than thirty-five hours per week earn between ten and sixty days. Classified employees may accumulate unused sick leave from previous years up to sixty days. Certified staff accumulates all of the prior year's sick leave, plus 10 days up to a maximum of sixty days. Employees have the right to donate up to two of his/her sick leave days to another employee of the district in each contract period. As of June 30, 2018, the amount of accrued sick leave of classified employees was \$134,660.

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

Vacation Days. Personnel classified as Category 1 and Category 4, detailed in the District Policy Handbook, also the Superintendent and/or Assistant Superintendent are eligible for vacation days. Personnel Category 1 receives up to 10 vacation days per year. Personnel Category 4's vacation days, ranging from zero to four weeks, are based on hiring date and years of service. The Superintendent and/or Assistant Superintendent's vacation days, which range from fifteen to twenty-five days, is based upon years of experience. Accumulated vacation is paid to employees upon termination, retirement or resignation. The liability for accumulated vacation pay is not shown on this financial statement in accordance with a statutory based financial statement. Any vacation day carried over from preceding contract year that is not used by June 30th of the current contract year shall be forfeited.

UNIFIED SCHOOL DISTRICT NUMBER 214

Ulysses, Kansas

Notes to the Financial Statement

June 30, 2019

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

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

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

Termination Benefits. Eligible employees of USD 214, who are prior to the age of 65, may elect to resign or retire with termination benefits. The employee shall be entitled to no more than three years of benefits and the benefits shall terminate in the event of death and no payment shall be made by the beneficiary. The district will not make early retirement incentive payments to any employee who has not already begun receiving retirement benefits from KPERS. Eligible employees must be a current full-time employee, and have twenty or more years employment service with USD 214 and has reached age 58. The maximum amount of payment will be \$8,000 each year for three years. Payments to retired employees under this plan were \$16,000 for the year ended June 30, 2019.

NOTE 5 – IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$649,379 subsequent to June 30, 2019 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

NOTE 6 – INTERFUND TRANSFERS

Interfund operating transfers are as follows:

Fund Transferred Out:	Fund Transferred To:	Statutory Authority	Amount
General	Bilingual	K.S.A. 72-6428	\$ 245,000
General	Food Service	K.S.A. 72-6428	55,000
General	Professional Development	K.S.A. 72-6428	59,276
General	Special Education	K.S.A. 72-6428	959,062
General	Vocational Education	K.S.A. 72-6428	88,275
General	At Risk (4-Year Old)	K.S.A. 72-6428	155,000
General	At Risk (K-12)	K.S.A. 72-6428	1,475,000
Supplemental General	Adult Education	K.S.A. 72-6428	35,000
Supplemental General	Bilingual	K.S.A. 72-6428	150,000
Supplemental General	Food Service	K.S.A. 72-6428	56,180
Supplemental General	Special Education	K.S.A. 72-6428	390,000
Supplemental General	Vocational Education	K.S.A. 72-6428	255,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6428	525,000

NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There are no cash law violation or budget law violations for the year ending June 30, 2019.

NOTE 8 – CLAIMS, JUDGEMENTS AND RISK MANAGEMENT

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

UNIFIED SCHOOL DISTRICT NUMBER 214

Ulysses, Kansas

Notes to the Financial Statement

June 30, 2019

NOTE 8 – CLAIMS, JUDGEMENTS AND RISK MANAGEMENT, CONTINUED

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

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage in the 2019 fiscal year, and there were no settlements that exceeded insurance coverage in the past three years.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. Management's evaluation concluded that there is one subsequent events that is required to be recognized or disclosed in this financial statement.

The District purchased a new bus and backup camera from Kansas Truck and Equipment, in the amount of \$88,113, on July 29, 2019.

Unified School District Number 214

Ulysses, Kansas

Regulatory Required Supplemental Information

Unified School District Number 214

Ulysses, Kansas

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Unified School District Number 214
Ulysses, Kansas
Summary of Expenditures - Actual and Budget
Regulatory Basis
Budgeted Funds Only
For the Year Ended June 30, 2019

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment to comply with Legal Maximum</u>	<u>Adjustment for Qualifying Budget Credits & Remit to State</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
<u>General Funds:</u>						
General	\$ 11,222,142	\$ (224,899)	\$ 6,010	\$ 11,003,253	\$ 11,003,253	\$ -
Supplemental General	3,580,947	(64,830)	-	3,516,117	3,516,117	-
<u>Special Purpose Funds:</u>						
KPERS Special Retirement	1,539,569			1,539,569	985,886	(553,683)
Adult Education	107,081			107,081	46,070	(61,011)
At-Risk (4 Year Old)	265,809			265,809	160,710	(105,099)
At-Risk (K-12)	2,008,424			2,008,424	2,006,328	(2,096)
Bilingual Education	423,581			423,581	396,283	(27,298)
Virtual Education	295,568			295,568	49,106	(246,462)
Capital Outlay	3,327,073			3,327,073	808,244	(2,518,829)
Driver Training	56,694			56,694	18,869	(37,825)
Food Service	1,326,390			1,326,390	971,511	(354,879)
Professional Development	144,104			144,104	60,943	(83,161)
Special Education	2,519,416			2,519,416	1,396,789	(1,122,627)
Vocational Education	473,668			473,668	261,205	(212,463)
Rec. Commission - General	995,000			995,000	995,000	-
Rec. Commission - Emp. Benefits	280,000			280,000	280,000	-
<u>Debt Service Fund:</u>						
Bond & Interest	-			-	-	-

Unified School District Number 214
Ulysses, Kansas
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 9,821,634	\$ 9,924,479	\$ 10,026,659	\$ (102,180)
Mineral Production Tax	113,120	113,702	113,120	582
Special Education Aid	920,606	959,062	1,082,363	(123,301)
Federal Aid - Reimbursement	300	314	-	314
State Aid - Reimbursement	5,250	5,696	-	5,696
Total Receipts	<u>10,860,910</u>	<u>11,003,253</u>	<u>\$ 11,222,142</u>	<u>\$ (218,889)</u>
Expenditures				
Instruction	4,237,042	4,225,412	4,737,764	(512,352)
Student Support Services	319,717	288,570	329,000	(40,430)
Instructional Support Staff	286,321	213,627	291,015	(77,388)
General Administration	423,684	517,704	426,000	91,704
School Administration	943,336	1,093,501	945,500	148,001
Central Services	314,579	337,636	302,750	34,886
Operations and Maintenance	1,115,188	920,213	829,750	90,463
Student Transportation Services	334,528	369,977	348,000	21,977
Operating Transfers	2,895,468	3,036,613	3,012,363	24,250
Adjustment to Comply with Legal Max			(224,899)	224,899
Legal General Fund Budget	<u>10,869,863</u>	<u>11,003,253</u>	<u>10,997,243</u>	<u>6,010</u>
Adjustment for Qualifying Budget Credits	-	-	6,010	(6,010)
Total Expenditures	<u>10,869,863</u>	<u>11,003,253</u>	<u>\$ 11,003,253</u>	<u>-</u>
Receipts Over (Under) Expenditures	(8,953)	-		<u>\$ (218,889)</u>
Unencumbered Cash, July 1	<u>8,953</u>	-		
Unencumbered Cash, June 30	<u>\$ -</u>	<u>\$ -</u>		

Unified School District Number 214
 Ulysses, Kansas
 Supplemental General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Tax in Process	\$ 33,248	\$ 36,601	\$ -	\$ 36,601
Current Tax	2,446,491	2,404,628	29,181	2,375,447
Delinquent Tax	23,730	26,619	16,319	10,300
Motor Vehicle Tax Collections	214,761	203,898	156,010	47,888
Recreational Vehicle Tax Collections	4,322	3,285	2,974	311
Supplemental State Aid	1,073,190	834,023	849,401	(15,378)
Total Receipts	<u>3,795,742</u>	<u>3,509,054</u>	<u>\$ 1,053,885</u>	<u>\$ 2,455,169</u>
Expenditures				
Instruction	989,724	1,024,965	996,000	28,965
Student Support Services	18,715	35,382	20,500	14,882
General Administration	105,676	130,872	101,597	29,275
School Administration	165,400	220,378	171,000	49,378
Operations and Maintenance	643,075	657,638	668,350	(10,712)
Student Transportation Services	31,593	35,702	38,500	(2,798)
Operating Transfers	1,667,000	1,411,180	1,585,000	(173,820)
Adjustment to Comply With Legal max	-	-	(64,830)	64,830
Total Expenditures	<u>3,621,183</u>	<u>3,516,117</u>	<u>\$ 3,516,117</u>	<u>-</u>
Receipts Over (Under) Expenditures	174,559	(7,063)		<u>\$ 2,455,169</u>
Unencumbered Cash, July 1	<u>37,570</u>	<u>212,129</u>		
Unencumbered Cash, June 30	<u>\$ 212,129</u>	<u>\$ 205,066</u>		

Unified School District Number 214
 Ulysses, Kansas
 KPERS Special Retirement Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State Revenue	<u>\$ 1,154,532</u>	<u>\$ 985,886</u>	<u>\$ 1,539,569</u>	<u>\$ (553,683)</u>
Total Receipts	<u>1,154,532</u>	<u>985,886</u>	<u>\$ 1,539,569</u>	<u>\$ (553,683)</u>
Expenditures				
Employee Benefits	<u>1,154,532</u>	<u>985,886</u>	<u>1,539,569</u>	<u>(553,683)</u>
Total Expenditures	<u>1,154,532</u>	<u>985,886</u>	<u>\$ 1,539,569</u>	<u>(553,683)</u>
Receipts Over (Under) Expenditures	-	-		<u>\$ -</u>
Unencumbered Cash, July 1	<u>-</u>	<u>-</u>		
Unencumbered Cash, June 30	<u>\$ -</u>	<u>\$ -</u>		

Unified School District Number 214
 Ulysses, Kansas
 Adult Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers In	\$ 42,000	\$ 35,000	\$ 25,000	\$ 10,000
Miscellaneous Revenue	<u>270</u>	<u>292</u>	<u>-</u>	<u>292</u>
Total Receipts	<u>42,270</u>	<u>35,292</u>	<u>\$ 25,000</u>	<u>\$ 10,292</u>
Expenditures				
Instruction	56,034	45,873	90,581	(44,708)
Student Support Services	421	197	1,500	(1,303)
Operations & Maintenance	<u>9,044</u>	<u>-</u>	<u>15,000</u>	<u>(15,000)</u>
Total Expenditures	<u>65,499</u>	<u>46,070</u>	<u>\$ 107,081</u>	<u>(61,011)</u>
Receipts Over (Under) Expenditures	(23,229)	(10,778)		<u>\$ 71,303</u>
Unencumbered Cash, July 1	<u>105,310</u>	<u>82,081</u>		
Unencumbered Cash, June 30	<u>\$ 82,081</u>	<u>\$ 71,303</u>		

Unified School District Number 214
 Ulysses, Kansas
 At-Risk Fund (4 Year Olds)
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers In	\$ 145,000	\$ 155,000	\$ 140,000	\$ 15,000
Grant Revenue	1,595	-	-	-
Total Receipts	<u>146,595</u>	<u>155,000</u>	<u>\$ 140,000</u>	<u>\$ 15,000</u>
Expenditures				
Instruction	<u>155,185</u>	<u>160,710</u>	<u>265,809</u>	<u>(105,099)</u>
Total Expenditures	<u>155,185</u>	<u>160,710</u>	<u>\$ 265,809</u>	<u>(105,099)</u>
Receipts Over (Under) Expenditures	(8,590)	(5,710)		<u>\$ 120,099</u>
Unencumbered Cash, July 1	<u>134,399</u>	<u>125,809</u>		
Unencumbered Cash, June 30	<u>\$ 125,809</u>	<u>\$ 120,099</u>		

Unified School District Number 214
 Ulysses, Kansas
 At-Risk Fund (K-12)
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers In	\$ 1,965,000	\$ 2,000,000	\$ 2,035,000	\$ (35,000)
Miscellaneous	<u>5,650</u>	<u>2,494</u>	<u>-</u>	<u>2,494</u>
Total Receipts	<u>1,970,650</u>	<u>2,002,494</u>	<u>\$ 2,035,000</u>	<u>\$ (32,506)</u>
Expenditures				
Instruction	1,983,064	2,005,421	2,006,924	(1,503)
Instructional Support Staff	<u>781</u>	<u>907</u>	<u>1,500</u>	<u>(593)</u>
Total Expenditures	<u>1,983,845</u>	<u>2,006,328</u>	<u>\$ 2,008,424</u>	<u>(2,096)</u>
Receipts Over (Under) Expenditures	(13,195)	(3,834)		<u>\$ (30,410)</u>
Unencumbered Cash, July 1	<u>271,619</u>	<u>258,424</u>		
Unencumbered Cash, June 30	<u>\$ 258,424</u>	<u>\$ 254,590</u>		

Unified School District Number 214
 Ulysses, Kansas
 Bilingual Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers In	\$ 400,000	\$ 395,000	\$ 275,000	\$ 120,000
Total Receipts	<u>400,000</u>	<u>395,000</u>	<u>\$ 275,000</u>	<u>\$ 120,000</u>
Expenditures				
Instruction	408,383	396,283	423,581	(27,298)
Total Expenditures	<u>408,383</u>	<u>396,283</u>	<u>\$ 423,581</u>	<u>(27,298)</u>
Receipts Over (Under) Expenditures	(8,383)	(1,283)		<u>\$ 147,298</u>
Unencumbered Cash, July 1	<u>156,964</u>	<u>148,581</u>		
Unencumbered Cash, June 30	<u>\$ 148,581</u>	<u>\$ 147,298</u>		

Unified School District Number 214
 Ulysses, Kansas
 Virtual Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfers In	\$ 74,862	\$ 88,275	\$ 75,000	\$ 13,275
Total Receipts	<u>74,862</u>	<u>88,275</u>	<u>\$ 75,000</u>	<u>\$ 13,275</u>
Expenditures				
Instruction	55,124	49,106	294,068	(244,962)
Operations and Maintenance	<u>1,251</u>	<u>-</u>	<u>1,500</u>	<u>(1,500)</u>
Total Expenditures	<u>56,375</u>	<u>49,106</u>	<u>\$ 295,568</u>	<u>(246,462)</u>
Receipts Over (Under) Expenditures	18,487	39,169		<u>\$ 259,737</u>
Unencumbered Cash, July 1	<u>202,081</u>	<u>220,568</u>		
Unencumbered Cash, June 30	<u>\$ 220,568</u>	<u>\$ 259,737</u>		

Unified School District Number 214
 Ulysses, Kansas
 Capital Outlay Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Tax in Process	\$ 9,459	\$ 10,924	\$ 8,718	\$ 2,206
Current Tax	730,212	783,200	762,883	20,317
Delinquent Tax	6,902	7,909	4,870	3,039
Motor Vehicle Tax	56,693	59,150	45,088	14,062
Recreation Vehicle Tax	1,149	950	859	91
Interest	66,403	69,532	-	69,532
Donations	-	30,325	-	30,325
Sale of Equipment	-	24,633	-	24,633
Insurance Claims	-	458,487	-	458,487
Miscellaneous	467,190	17,231	-	17,231
State Aid	127,288	71,910	71,895	15
Total Receipts	<u>1,465,296</u>	<u>1,534,251</u>	<u>\$ 894,313</u>	<u>\$ 639,938</u>
Expenditures				
Instruction	62,661	709,329	77,073	632,256
School Administration	-	8,162	-	8,162
Operations and Maintenance	-	14,900	-	14,900
Transportation	94,312	-	250,000	(250,000)
Site Improvements	14,302	-	500,000	(500,000)
Building Improvements	908,062	75,853	2,500,000	(2,424,147)
Total Expenditures	<u>1,079,337</u>	<u>808,244</u>	<u>\$ 3,327,073</u>	<u>(2,518,829)</u>
Receipts Over (Under) Expenditures	<u>385,959</u>	<u>726,007</u>		<u>\$ 3,158,767</u>
Unencumbered Cash, July 1	<u>2,046,801</u>	<u>2,432,760</u>		
Unencumbered Cash, June 30	<u>\$ 2,432,760</u>	<u>\$ 3,158,767</u>		

Unified School District Number 214
 Ulysses, Kansas
 Driver Training Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State Aid	\$ 13,824	\$ 15,454	\$ -	\$ 15,454
Student Fees	<u>10,582</u>	<u>7,796</u>	<u>-</u>	<u>7,796</u>
Total Receipts	<u>24,406</u>	<u>23,250</u>	<u>\$ -</u>	<u>\$ 23,250</u>
Expenditures				
Instruction	26,688	18,065	55,194	(37,129)
Vehicle Operating Maintenance	<u>724</u>	<u>804</u>	<u>1,500</u>	<u>(696)</u>
Total Expenditures	<u>27,412</u>	<u>18,869</u>	<u>\$ 56,694</u>	<u>(37,825)</u>
Receipts Over (Under) Expenditures	(3,006)	4,381		<u>\$ 61,075</u>
Unencumbered Cash, July 1	<u>59,700</u>	<u>56,694</u>		
Unencumbered Cash, June 30	<u>\$ 56,694</u>	<u>\$ 61,075</u>		

Unified School District Number 214
 Ulysses, Kansas
 Food Service Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Federal Aid	\$ 635,798	\$ 615,456	\$ 616,901	\$ (1,445)
State Aid	9,375	9,290	7,638	1,652
Charges for Services	193,607	193,333	228,902	(35,569)
Miscellaneous Revenue	870	29,792	-	29,792
Transfers In	245,000	111,180	220,000	(108,820)
Total Receipts	<u>1,084,650</u>	<u>959,051</u>	<u>\$ 1,073,441</u>	<u>\$ (114,390)</u>
Expenditures				
Operations and Maintenance	8,840	3,725	125,000	(121,275)
Food Service Operation	1,072,895	967,786	1,201,390	(233,604)
Total Expenditures	<u>1,081,735</u>	<u>971,511</u>	<u>\$ 1,326,390</u>	<u>(354,879)</u>
Receipts Over (Under) Expenditures	2,915	(12,460)		<u>\$ 240,489</u>
Unencumbered Cash, July 1	<u>250,035</u>	<u>252,950</u>		
Unencumbered Cash, June 30	<u>\$ 252,950</u>	<u>\$ 240,490</u>		

Unified School District Number 214
 Ulysses, Kansas
 Professional Development Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
State Aid	\$ 2,295	\$ 9,180	\$ 10,456	\$ (1,276)
Transfers In	<u>50,000</u>	<u>59,276</u>	<u>50,000</u>	<u>9,276</u>
Total Receipts	<u>52,295</u>	<u>68,456</u>	<u>\$ 60,456</u>	<u>\$ 8,000</u>
Expenditures				
Instructional Support Staff	<u>12,783</u>	<u>60,943</u>	<u>144,104</u>	<u>(83,161)</u>
Total Expenditures	<u>12,783</u>	<u>60,943</u>	<u>\$ 144,104</u>	<u>(83,161)</u>
Receipts Over (Under) Expenditures	39,512	7,513		<u>\$ 91,161</u>
Unencumbered Cash, July 1	<u>44,136</u>	<u>83,648</u>		
Unencumbered Cash, June 30	<u>\$ 83,648</u>	<u>\$ 91,161</u>		

Unified School District Number 214
 Ulysses, Kansas
 Special Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
General Fund Transfer of State Aid	\$ 920,606	\$ 959,062	\$ 1,082,363	\$ (123,301)
Transfers In	400,000	390,000	400,000	(10,000)
Federal Aid - Reimbursement	6,369	-	-	-
Medicaid Reimbursement	<u>33,895</u>	<u>44,615</u>	<u>-</u>	<u>44,615</u>
Total Receipts	<u>1,360,870</u>	<u>1,393,677</u>	<u>\$ 1,482,363</u>	<u>\$ (88,686)</u>
Expenditures				
Instruction	1,360,303	1,390,440	2,502,666	(1,112,226)
Vehicle Operating Services	6,221	4,606	11,500	(6,894)
Vehicle Service & Maintenance	<u>1,677</u>	<u>1,743</u>	<u>5,250</u>	<u>(3,507)</u>
Total Expenditures	<u>1,368,201</u>	<u>1,396,789</u>	<u>\$ 2,519,416</u>	<u>(1,122,627)</u>
Receipts Over (Under) Expenditures	(7,331)	(3,112)		<u>\$ 1,033,941</u>
Unencumbered Cash, July 1	<u>1,044,384</u>	<u>1,037,053</u>		
Unencumbered Cash, June 30	<u>\$ 1,037,053</u>	<u>\$ 1,033,941</u>		

Unified School District Number 214
 Ulysses, Kansas
 Career and Technical Education Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Miscellaneous	\$ 4,731	\$ 2,686	\$ -	\$ 2,686
Federal Aid	505	-	-	-
Transfers In	295,000	255,000	270,000	(15,000)
Total Receipts	<u>300,236</u>	<u>257,686</u>	<u>\$ 270,000</u>	<u>\$ (12,314)</u>
Expenditures				
Instruction	300,239	255,268	458,168	(202,900)
Central Services	108	264	500	(236)
Operations and Maintenance	3,544	5,673	15,000	(9,327)
Total Expenditures	<u>303,891</u>	<u>261,205</u>	<u>\$ 473,668</u>	<u>(212,463)</u>
Receipts Over (Under) Expenditures	(3,655)	(3,519)		<u>\$ 200,149</u>
Unencumbered Cash, July 1	<u>207,323</u>	<u>203,668</u>		
Unencumbered Cash, June 30	<u>\$ 203,668</u>	<u>\$ 200,149</u>		

Unified School District Number 214
 Ulysses, Kansas
 Contingency Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>
Receipts		
Transfers In	<u>\$ -</u>	<u>\$ -</u>
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Operations and Maintenance	<u>989,100</u>	<u>92,443</u>
Total Expenditures	<u>989,100</u>	<u>92,443</u>
Receipts Over (Under) Expenditures	(989,100)	(92,443)
Unencumbered Cash, July 1	<u>2,104,074</u>	<u>1,114,974</u>
Unencumbered Cash, June 30	<u><u>\$ 1,114,974</u></u>	<u><u>\$ 1,022,531</u></u>

Unified School District Number 214
 Ulysses, Kansas
 Recreation Commission - General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Tax in Process	\$ 11,351	\$ 13,109	\$ 10,460	\$ 2,649
Current Tax	876,255	938,678	915,425	23,253
Delinquent Tax	7,361	8,985	5,845	3,140
Motor Vehicle Tax	61,446	70,974	54,107	16,867
Recreational/Rental Vehicle Tax	1,258	1,140	1,031	109
Total Receipts	<u>957,671</u>	<u>1,032,886</u>	<u>\$ 986,868</u>	<u>\$ 46,018</u>
Expenditures				
Community Service Operations	<u>930,650</u>	<u>995,000</u>	<u>995,000</u>	<u>-</u>
Total Expenditures	<u>930,650</u>	<u>995,000</u>	<u>\$ 995,000</u>	<u>-</u>
Receipts Over (Under) Expenditures	27,021	37,886		<u>\$ 46,018</u>
Unencumbered Cash, July 1	<u>2,390</u>	<u>29,411</u>		
Unencumbered Cash, June 30	<u>\$ 29,411</u>	<u>\$ 67,297</u>		

Unified School District Number 214
 Ulysses, Kansas
 Recreation Commission - Employee Benefits Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Tax in Process	\$ 3,439	\$ 3,804	\$ 3,034	\$ 770
Current Tax	254,259	261,510	254,922	6,588
Delinquent Tax	2,119	2,584	1,696	888
Motor Vehicle Tax	18,032	21,128	16,155	4,973
Recreational Vehicle Tax/Excise Tax	<u>371</u>	<u>340</u>	<u>308</u>	<u>32</u>
Total Receipts	<u>278,220</u>	<u>289,366</u>	<u>\$ 276,115</u>	<u>\$ 13,251</u>
Expenditures				
Community Service Operations	<u>270,000</u>	<u>280,000</u>	<u>280,000</u>	<u>-</u>
Total Expenditures	<u>270,000</u>	<u>280,000</u>	<u>\$ 280,000</u>	<u>-</u>
Receipts Over (Under) Expenditures	8,220	9,366		<u>\$ 13,251</u>
Unencumbered Cash, July 1	<u>-</u>	<u>8,220</u>		
Unencumbered Cash, June 30	<u>\$ 8,220</u>	<u>\$ 17,586</u>		

Unified School District Number 214
 Ulysses, Kansas
 Bond & Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018 <u>Actual</u>	2019		Variance Over (Under)
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ -	\$ 40	\$ -	\$ 40
Total Receipts	<u>-</u>	<u>40</u>	<u>\$ -</u>	<u>\$ 40</u>
Expenditures				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	40		<u>\$ 40</u>
Unencumbered Cash, July 1	<u>138,777</u>	<u>138,777</u>		
Unencumbered Cash, June 30	<u>\$ 138,777</u>	<u>\$ 138,817</u>		

Unified School District Number 214
 Ulysses, Kansas
 Textbook Rental Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>
Receipts		
Textbook Rentals	\$ 38,440	\$ 34,229
Miscellaneous Revenue	-	24,188
Transfers In	<u>25,000</u>	<u> </u>
Total Receipts	<u>63,440</u>	<u>58,417</u>
Expenditures		
Textbook Purchases	<u>181,972</u>	<u>59,476</u>
Total Expenditures	<u>181,972</u>	<u>59,476</u>
Receipts Over (Under) Expenditures	(118,532)	(1,059)
Unencumbered Cash, July 1	<u>533,127</u>	<u>414,595</u>
Unencumbered Cash, June 30	<u>\$ 414,595</u>	<u>\$ 413,536</u>

Unified School District Number 214
 Ulysses, Kansas
 Health Care Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2019
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>
Receipts		
Health Care Premiums	\$ 1,337,306	\$ 1,378,108
Total Receipts	<u>1,337,306</u>	<u>1,378,108</u>
Expenditures		
Insurance Premiums	<u>1,228,310</u>	<u>1,294,629</u>
Total Expenditures	<u>1,228,310</u>	<u>1,294,629</u>
Receipts Over (Under) Expenditures	108,996	83,479
Unencumbered Cash, July 1	<u>1,152,736</u>	<u>1,261,732</u>
Unencumbered Cash, June 30	<u>\$ 1,261,732</u>	<u>\$ 1,345,211</u>

Unified School District Number 214
Ulysses, Kansas
State, Federal and Other Grant Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2019

	<u>Drive 4 UR School</u>	<u>Tigers in Action</u>	<u>2017 Sullivan Focus School</u>	<u>Teacher Recruite- ment</u>	<u>2019 SWKLinks Grant</u>	<u>Title I Low Income</u>
Receipts						
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 309,236
Other Agencies/Misc.	-	-	-	4,039	34,037	-
Total Receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,039</u>	<u>34,037</u>	<u>309,236</u>
Expenditures						
Instruction	1,350	-	-	-	44,891	297,471
Student Support Services	-	264	1,814	-	-	13,010
Instructional Support Staff	-	-	-	-	-	-
General Administration	-	-	-	-	-	-
Food Service Operations	-	-	-	-	-	-
Total Expenditures	<u>1,350</u>	<u>264</u>	<u>1,814</u>	<u>-</u>	<u>44,891</u>	<u>310,481</u>
Receipts Over (Under) Exp.	(1,350)	(264)	(1,814)	4,039	(10,854)	(1,245)
Unencumbered Cash, July 1	<u>13,419</u>	<u>1,515</u>	<u>7,398</u>	<u>-</u>	<u>-</u>	<u>591</u>
Unencumbered Cash, June 30	<u>\$ 12,069</u>	<u>\$ 1,251</u>	<u>\$ 5,584</u>	<u>\$ 4,039</u>	<u>\$ (10,854)</u>	<u>\$ (654)</u>

Unified School District Number 214
 Ulysses, Kansas
 State, Federal and Other Grant Funds
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended June 30, 2019

Schedule 2-21

	<u>Title I Migrant</u>	<u>Supporting Effective Instruction</u>	<u>English Language Acquisition</u>	<u>ESSA</u>	<u>21st Century AfterSch</u>	<u>Totals</u>
Receipts						
Federal Grants	\$ 101,000	\$ 63,835	\$ 47,123	\$ 20,000	\$ 93,978	\$ 635,172
Other Agencies/Misc.	-	-	-	-	74	38,150
	<u>101,000</u>	<u>63,835</u>	<u>47,123</u>	<u>20,000</u>	<u>94,052</u>	<u>673,322</u>
Total Receipts						
Expenditures						
Instruction	79,894	62,639	42,500	17,858	84,560	631,163
Student Support Services	17,687	-	-	-	-	32,775
Instructional Support Staff	6,760	-	4,858	-	-	11,618
General Administration	498	780	-	-	-	1,278
Food Service Operations	78	-	-	-	-	78
	<u>104,917</u>	<u>63,419</u>	<u>47,358</u>	<u>17,858</u>	<u>84,560</u>	<u>676,912</u>
Total Expenditures						
Receipts Over (Under) Exp.	(3,917)	416	(235)	2,142	9,492	(3,590)
Unencumbered Cash, July 1	<u>3,917</u>	<u>(318)</u>	<u>440</u>	<u>-</u>	<u>(8,310)</u>	<u>18,652</u>
Unencumbered Cash, June 30	<u>\$ -</u>	<u>\$ 98</u>	<u>\$ 205</u>	<u>\$ 2,142</u>	<u>\$ 1,182</u>	<u>\$ 15,062</u>

Unified School District Number 214
Ulysses, Kansas
District Activity Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2019

	Beginning Unencumbered <u>Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>	Add: Encumbrances and Accounts <u>Payable</u>	Ending <u>Cash Balance</u>
<u>Gate Receipts</u>						
High School	\$ 194	\$ 53,327	\$ 52,294	\$ 1,227	\$ -	\$ 1,227
Kepley	3,847	31,379	31,234	3,992	-	3,992
Total Gate Receipts	<u>4,041</u>	<u>84,706</u>	<u>83,528</u>	<u>5,219</u>	<u>-</u>	<u>5,219</u>
<u>School Projects</u>						
High School						
Concessions	7,490	28,631	26,663	9,458	-	9,458
Other Revenue	2,773	150,714	150,441	3,046	-	3,046
Special Band and Choirs	220	5,244	2,029	3,435	-	3,435
Student Collections	137	-	-	137	-	137
Yearbook	9,311	13,331	15,204	7,438	-	7,438
Subtotal High School	<u>19,931</u>	<u>197,920</u>	<u>194,337</u>	<u>23,514</u>	<u>-</u>	<u>23,514</u>
USD No. 214						
Other Revenues	18,694	173,951	176,331	16,314	-	16,314
Book Fair	2,013	11,717	10,990	2,740	123	2,863
T-shirts and Yearbook	25,735	17,639	10,341	33,033	83	33,116
Subtotal USD No. 214	<u>46,442</u>	<u>203,307</u>	<u>197,662</u>	<u>52,087</u>	<u>206</u>	<u>52,293</u>
Kepley School						
Student Activity	3,132	69,973	67,985	5,120	-	5,120
Kepley Educator	294	522	384	432	-	432
Subtotal Kepley School	<u>3,426</u>	<u>70,495</u>	<u>68,369</u>	<u>5,552</u>	<u>-</u>	<u>5,552</u>
Total School Projects	<u>69,799</u>	<u>471,722</u>	<u>460,368</u>	<u>81,153</u>	<u>206</u>	<u>81,359</u>
Total District Activity Funds	<u>\$ 73,840</u>	<u>\$ 556,428</u>	<u>\$ 543,896</u>	<u>\$ 86,372</u>	<u>\$ 206</u>	<u>\$ 86,578</u>

Unified School District Number 214
Ulysses, Kansas
Student Organization Funds
Schedule of Receipts and Cash Disbursements
Regulatory Basis
For the Year Ended June 30, 2019

	Beginning <u>Cash Balance</u>	<u>Receipts</u>	<u>Disbursement</u>	Ending <u>Cash Balance</u>
High School				
Cheerleaders	\$ 1,567	\$ 13,945	\$ 8,371	\$ 7,141
Class of 2017	527	-	527	-
Class of 2018	1,175	-	1,175	-
Class of 2019	1,332	-	-	1,332
Class of 2020	3,537	5,716	8,497	756
Class of 2021	404	7,417	4,595	3,226
Class of 2022	1,015	-	642	373
Class of 2023	-	25	-	25
Entrepreneurship	386	-	-	386
FAMCONSSC	-	-	-	-
FBLA	23,821	42,178	45,315	20,684
FCA	-	3,465	-	3,465
FFA	5,812	22,942	17,320	11,434
FHAFCCLA	944	10,377	11,271	50
Halo	5,253	587	1,558	4,282
IAC	4,145	2,926	1,961	5,110
Interact	10,306	653	1,500	9,459
LEO Club	23	-	-	23
Music	-	9,531	5,956	3,575
NFL	169	-	-	169
NHS	4,772	8,496	5,505	7,763
Odyssey of the Mind	411	-	-	411
PBS	881	719	870	730
SADD	3,670	7,911	9,381	2,200
Stuco	2,692	3,606	3,681	2,617
U-Club	8,227	24,247	22,652	9,822
Subtotal High School	81,069	164,741	150,777	95,033
Kepley School				
8th Grade Class	-	1,665	1,665	-
Band	-	741	727	14
Bank Charges	-	452	452	-
Crime Stoppers	185	452	452	185
Stuco	166	-	-	166
Student Leadership	3,675	4,102	3,686	4,091
Yearbook	5,860	1,129	1,113	5,876
Subtotal Kepley School	9,886	8,541	8,095	10,332
Total Student Organization Funds	\$ 90,955	\$ 173,282	\$ 158,872	\$ 105,365

Schedule 4-2

Unified School District Number 214
 Ulysses, Kansas
 District Clearing Funds
 Schedule of Receipts and Cash Disbursements
 Regulatory Basis
 For the Year Ended June 30, 2019

	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
High School Sales Tax	\$ 6,102	\$ 11,391	\$ 11,374	\$ 6,119
Kepley School Sales Tax	202	-	1	201
USD No. 214 Sales Tax	416	3,824	4,118	122
	<u>\$ 6,720</u>	<u>\$ 15,215</u>	<u>\$ 15,493</u>	<u>\$ 6,442</u>

Unified School District Number 214

Ulysses, Kansas

Unified School District Number 214

Ulysses, Kansas

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Dirks, Anthony & Duncan, LLC

Certified Public Accountants & Management Consultants

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statement of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Unified School District Number 214, as of and for the year ended June 30, 2019, and the related notes to the financial statement, which collectively comprise Unified School District Number 214's basic financial statement, and have issued our report thereon dated December 2, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District Number 214's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Unified School District Number 214's internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District Number 214's internal control.

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

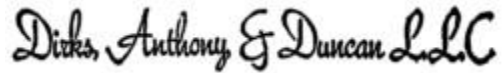
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District Number 214's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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 "Dirks, Anthony & Duncan LLC". The script is cursive and somewhat stylized.

Dirks, Anthony & Duncan, LLC
Certified Public Accountants

December 11, 2019



Dirks, Anthony & Duncan, LLC

Certified Public Accountants & Management Consultants

104 N. Main / P.O. Box 885 / Ulysses, KS 67880 / Phone: (620) 356-4951 / Fax: (620) 353-1018

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

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

Report on Compliance for Each Major Federal Program

We have audited Unified School District Number 214's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Unified School District Number 214's major federal programs for the year ended June 30, 2019. Unified School District Number 214's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Unified School District Number 214's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Unified School District Number 214's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Unified School District Number 214's compliance.

Opinion on Each Major Federal Program

In our opinion, Unified School District Number 214 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

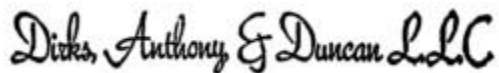
Management of Unified School District Number 214 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Unified School District Number 214's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control

over compliance. Accordingly, we do not express an opinion on the effectiveness of Unified School District Number 214's internal control over compliance.

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

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

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



Dirks, Anthony & Duncan, LLC
Certified Public Accountants

December 11, 2019

Unified School District Number 214
 Ulysses, Kansas
 Schedule of Expenditures of Federal Awards
 Regulatory Basis
 For the Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor	Federal CFDA Numbers	Pass Through Identifying Number	Expenditures
<u>Program Title</u>			
<u>U.S. Department of Agriculture</u>			
Passed Through State of Kansas Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553	DO214	\$ 106,961
Cash for Commodities	10.555	DO214	44,251
Section 410.555	10.555	DO215	448,835
Section 1110.555	10.555	DO214	15,409
Total Child Nutrition Cluster			615,456
Total U.S. Department of Agriculture			615,456
 <u>U.S. Department of Health and Human Services</u>			
Passed Through State of Kansas Department of Education			
Youth Risk Behavior Survey	93.079	DO214	314
Total U.S. Department of Health and Human Services			314
 <u>U.S. Department of Education</u>			
Passed Through State of Kansas Department of Education			
Title I Low Income	84.010A	DO214	310,481
Title I Migrant	84.011A	DO214	104,917
Title IV 21st Century Community Learning Center	84.287	DO214	84,560
English Language Acquisition	84.365A	DO214	47,358
Supporting Effective Instruction	84.367A	DO214	63,419
ESSA	84.424	DO214	17,858
Total U.S. Department of Education			628,593
Total Schedule of Expenditures of Federal Awards			\$ 1,244,363

Unified School District Number 214
 Ulysses, Kansas
 Notes to Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2019

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Unified School District Number 214, Ulysses, Kansas (the District) under programs of the federal government for the year ended June 30, 2019. The information in this schedule if presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a select portion of the operations of District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using regulatory basis of accounting prescribed by the Kansas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 1) Expenditures reported in the Schedule of Expenditures of Federal Awards (SEFA) are reported using the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash and budget laws of the State of Kansas, the same as the financial statement accompanying this schedule.
- 2) Unified School District Number 214 did not use the standard indirect cost rate of 10%.

NOTE 3 – FUNDS EXPENDED

Funds where federal expenditures were receipted and expended:

Food Service Fund	\$ 615,456
General Fund	314
<u>From State, Federal and Other Grant Funds:</u>	
Title I Low Income	310,481
Title I Migrant	104,917
21 st Century After School	84,560
English Language Acquisition	47,358
Supporting Effective Instruction	63,419
ESSA	17,858
	\$ 1,244,363

Unified School District Number 214
 Ulysses, Kansas
 Schedule of Finding & Questioned Costs
 For the Year Ended June 30, 2019

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENT

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

Internal Control Over Financial Reporting:

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

FEDERAL AWARDS

Internal Control Over Financial Reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

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

_____ Unmodified

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

_____ Yes X No

Identification of Major Programs/Cluster:

	<u>CFDA No.</u>
Title I Low Income	84.010
<u>Child Nutrition Cluster:</u>	
School Breakfast Program	10.553
National School Lunch Program	10.555

Dollar threshold to distinguish between Type A and Type B Programs:

_____ \$750,000

Auditee qualifies as a low-risk auditee?

_____ Yes X No

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no reportable findings.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF AGRICULTURE
 Child Nutrition Cluster - CFDA Numbers 10.553 and 10.555

There were no reportable findings.

U.S. DEPARTMENT OF EDUCATION
 Title I Low Income - CFDA Number 84.010

There were no reportable findings.