



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

**SHAWNEE HEIGHTS UNIFIED SCHOOL
DISTRICT NO. 450
TECUMSEH, KANSAS**

**FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS
YEAR ENDED JUNE 30, 2019**

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2019

TABLE OF CONTENTS

	<u>Schedule</u>	<u>Page</u>
Independent Auditors' Report		1 - 3
Financial Statement:		
Summary Statement of Receipts, Expenditures, and Unencumbered Cash		4 - 5
Notes to Financial Statement		6 - 16
Supplementary Information:		
Summary of Expenditures - Budget and Actual	1	17 - 18
Schedule of Receipts and Expenditures – Budget and Actual	2	
General Fund		19
Supplemental General Fund		20
Special Education Fund		21
Driver Education Fund		22
Food Service Fund		23
Capital Outlay Fund		24
Vocational Education Fund		25
Professional Development Fund		26
Bilingual Fund		27
At-Risk K-12 Fund		28
At-Risk Fund 4 Yr. Old		29
Virtual Education Fund		30
KPERs Special Retirement Contribution Fund		31
Bond and Interest Fund		32
Federal Grant Funds		33 - 34
Other Gifts and Grants Fund		35
Textbook Rental Fund		36
Contingency Reserve Fund		37
Bond Fund 2013		38
Summary of Receipts and Disbursements Student Organization Funds	3	39 - 41

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2019

TABLE OF CONTENTS
(Continued)

	<u>Schedule</u>	<u>Page</u>
Schedule of Receipts, Expenditures, and Unencumbered Cash - District Activity Funds	4	42 - 46
Schedule of Expenditures of Federal Awards		47 - 48
Notes to Schedule of Expenditures of Federal Awards		49
Schedule of Findings and Questioned Costs		50 - 51
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>		52 - 53
Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance		54 - 55



INDEPENDENT AUDITORS' REPORT

Board of Education
Shawnee Heights Unified School District No. 450:

Report on the Financial Statement

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Shawnee Heights Unified School District No. 450 (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 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 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

An Independently Owned Member, RSM US Alliance

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

As described in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *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 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 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 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 *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards*, are presented for additional 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 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Berberich Trahan & Co., P.A.

December 9, 2019
Topeka, Kansas

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2019

	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Canceled Encumbrances</u>
<u>FUNDS</u>		
General fund	\$ 128	\$ -
Supplemental general fund	420,667	-
Special purpose funds:		
Special education	1,565,970	42
Driver education	99,656	270
Food service	198,881	-
Capital outlay	3,827,851	19,811
Vocational education	42,436	640
Professional development	212,498	295
Bilingual	62,545	-
At-risk K-12	785,312	5,937
At-risk 4 Yr Old	-	-
Virtual education	20,818	-
KPERS special retirement contribution	-	-
Federal grant funds	(26,940)	-
Other gifts and grants	20,017	346
Textbook rental	544,090	4,288
Contingency reserve	1,486,579	-
District activity funds - gate receipts	35,902	-
District activity funds - school projects	62,509	-
District activity funds	40,180	-
Capital project fund:		
Bond fund 2013	49,369	-
Bond and interest fund	3,054,339	-
	3,054,339	-
Total reporting entity (excluding agency funds)	\$ 12,502,807	\$ 31,629
Composition of cash:		
Checking accounts		
Petty cash funds		
Activity funds - checking accounts		
Total cash		
Agency funds per schedule 3		
Total reporting entity (excluding agency funds)		

See accompanying notes to financial statement.

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 22,522,056	\$ 22,522,184	\$ -	\$ 1,318,681	\$ 1,318,681
6,922,791	7,128,694	214,764	125,939	340,703
6,691,946	6,919,759	1,338,199	541,096	1,879,295
49,170	17,819	131,277	6,465	137,742
1,965,848	1,940,087	224,642	77,386	302,028
2,762,960	3,982,298	2,628,324	2,800,312	5,428,636
333,761	330,409	46,428	26,658	73,086
185,591	208,715	189,669	33,730	223,399
67,130	67,597	62,078	(9,967)	52,111
2,095,126	2,535,712	350,663	248,082	598,745
290,000	269,855	20,145	26,659	46,804
94,032	77,481	37,369	-	37,369
1,522,685	1,522,685	-	-	-
320,350	302,044	(8,634)	20,970	12,336
33,336	37,295	16,404	21,737	38,141
368,711	643,935	273,154	108,662	381,816
-	-	1,486,579	-	1,486,579
136,091	142,095	29,898	2,621	32,519
107,680	105,414	64,775	165	64,940
648,065	645,060	43,185	-	43,185
159	49,528	-	-	-
3,701,999	3,355,686	3,400,652	-	3,400,652
<u>\$ 50,819,487</u>	<u>\$ 52,804,352</u>	<u>\$ 10,549,571</u>	<u>\$ 5,349,196</u>	<u>\$ 15,898,767</u>
				\$ 15,750,917
				7,206
				<u>386,575</u>
				16,144,698
				(245,931)
				<u>\$ 15,898,767</u>

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2019

1 - Municipal Financial Reporting Entity

Shawnee Heights Unified School District No. 450 (the District) is a municipal corporation governed by an elected seven-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

Fund Descriptions

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

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

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

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

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

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

Fund Descriptions (Continued)

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

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

The Kansas Municipal Audit and Accounting Guide (the KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis 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 accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

Budget and Tax Cycle

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

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

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

Budget and Tax Cycle (Continued)

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 amendments for the fiscal year ended June 30, 2019.

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

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

A legal operating budget is not required for the fiduciary fund and the following special purpose funds:

Textbook Rental Fund, Contingency Reserve Fund, Bond Fund 2013, Gate Receipts, School Projects, and District Activity Funds.

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

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the County Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

Budget and Tax Cycle (Continued)

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

Inventories and Prepaid Expenses

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

Annual Personal and Sick Leave Benefits

Under the terms of the District's personnel policy, District employees are granted annual personal and sick leave in varying amounts depending on whether the employee is hourly or contracted.

Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments

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

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

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. At June 30, 2019, the District did not have any investments.

Custodial credit risk. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2019, the District's deposits were not exposed to custodial credit risk.

4 - In-Substance Receipt in Transit

The District received \$ 1,446,591 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.

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt

Changes in long-term liabilities for the District for the year ended June 30, 2019 were as follows:

Issue	Interest Rate	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General obligation bonds:										
Series 2011	2.25-3.10%	09/01/11	\$ 9,985,000	09/01/24	\$ 8,135,000	\$ -	\$ 980,000		\$ 7,155,000	\$ 217,118
Series 2012	2.00-3.50%	12/15/12	9,990,000	09/01/33	7,310,000	-	365,000		6,945,000	192,193
Series 2013	2.00-3.50%	03/05/13	9,995,000	09/01/33	8,680,000	-	380,000		8,300,000	266,575
Series 2014	3.00%	09/01/13	8,055,000	09/01/24	6,545,000	-	770,000		5,775,000	184,800
Total general obligation bonds					30,670,000	-	2,495,000		28,175,000	860,686
Early retirement benefits					720,350	-	-	\$ (241,583)	478,767	-
Total contractual indebtedness					\$ 31,390,350	\$ -	\$ 2,495,000	\$ (241,583)	\$ 28,653,767	\$ 860,686

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-term Debt (Continued)

Maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025-2029</u>	<u>2030-2034</u>	<u>Total</u>
Principal:								
General obligation bonds	\$ 2,615,000	\$ 2,750,000	\$ 2,885,000	\$ 3,025,000	\$ 3,190,000	\$ 8,315,000	\$ 5,395,000	\$ 28,175,000
Early retirement benefits	147,025	98,908	75,142	56,542	43,200	57,950	-	478,767
	<u>2,762,025</u>	<u>2,848,908</u>	<u>2,960,142</u>	<u>3,081,542</u>	<u>3,233,200</u>	<u>8,372,950</u>	<u>5,395,000</u>	<u>28,653,767</u>
Interest:								
General obligation bonds	<u>792,798</u>	<u>714,910</u>	<u>631,835</u>	<u>546,166</u>	<u>454,473</u>	<u>1,214,978</u>	<u>409,241</u>	<u>4,764,401</u>
Total principal and interest	<u>\$ 3,554,823</u>	<u>\$ 3,563,818</u>	<u>\$ 3,591,977</u>	<u>\$ 3,627,708</u>	<u>\$ 3,687,673</u>	<u>\$ 9,587,928</u>	<u>\$ 5,804,241</u>	<u>\$ 33,418,168</u>

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Operating Leases

The District has a five-year operating lease for seven 24 + 2 passenger buses. As of June 30, 2019, future annual minimum lease payments are \$ 93,520 per year for the remaining three years. Lease expense related to this lease for the current year was \$ 93,520.

The District has a four-year operating lease for copiers. As of June 30, 2019, future annual minimum lease payments are \$ 81,113 per year for the remaining two years. Lease expense related to this lease for the current year was \$ 81,113.

7 - Interfund Transfers

The District made the following interfund transfers during the fiscal year 2019. The transfers were approved by the Board of Education.

From	To	Regulatory Authority	Amount
General	Professional Development	K.S.A. 72-6428	\$ 155,000
General	Special Education	K.S.A. 72-6428	4,131,900
General	Food Service	K.S.A. 72-6428	100,000
General	Vocational Education	K.S.A. 72-6428	300,000
General	At Risk K-12	K.S.A. 72-6428	1,407,111
General	At Risk 4 Yr Old	K.S.A. 72-6428	290,000
General	Bilingual	K.S.A. 72-6428	42,892
General	Virtual Education	K.S.A. 72-6428	94,032
Supplemental General	Bilingual	K.S.A. 72-6433	24,238
Supplemental General	At Risk K-12	K.S.A. 72-6433	688,015
Supplemental General	Special Education	K.S.A. 72-6433	1,440,772

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

8 - Defined Benefit Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate 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 dollars per year. The first-year payment of \$6.4 million was received in July 2017.

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

8 - Defined Benefit Pension Plan (Continued)

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), the 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 \$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 received and remitted amounts equal to the statutory contribution rate, which totaled \$ 2,669,653 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 \$ 30,409,684. 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 this financial statement.

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

9 - 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.

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

9 - Other Post-Employment Benefits (Continued)

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.

10 - Early Retirement Benefits

The District has a plan that provides early retirement benefits to certain eligible employees. To be eligible for early retirement benefits, employees must have been employed by the District for a minimum of ten years, must not be age sixty-five or older, and must meet one of the following criteria: full retirement qualifications as required by KPERs, have accumulated a minimum of 160 days of sick leave in the District and be at least fifty-nine years of age, or be at least sixty years of age.

Benefits for eligible participants include receiving the longevity payments for which he/she was eligible during the last year of employment and the opportunity to remain in the District's group health insurance plan at his/her own cost. These benefits will continue until the participant reaches age sixty-five.

11 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

SUPPLEMENTARY INFORMATION

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2019

<u>FUNDS</u>	<u>Certified Budget</u>
General fund	\$ 22,371,512
Supplemental general fund	7,128,694
Special purpose funds:	
Special education	6,921,097
Driver education	28,350
Food service	1,940,125
Capital outlay	4,032,515
Vocational education	330,974
Professional development	210,000
Bilingual	83,700
At-risk K-12	2,642,424
At-risk 4 Yr old	270,000
Virtual education	77,933
KPERs special retirement contribution	3,536,245
Federal grant funds	511,784
Other gifts and grants	57,925
Bond and interest fund	3,355,686
	3,355,686
Totals	\$ 53,498,964

Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
\$ (30,132)	\$ 180,804	\$ 22,522,184	\$ 22,522,184	\$ -
-	-	7,128,694	7,128,694	-
-	-	6,921,097	6,919,759	(1,338)
-	-	28,350	17,819	(10,531)
-	-	1,940,125	1,940,087	(38)
-	-	4,032,515	3,982,298	(50,217)
-	-	330,974	330,409	(565)
-	-	210,000	208,715	(1,285)
-	-	83,700	67,597	(16,103)
-	-	2,642,424	2,535,712	(106,712)
-	-	270,000	269,855	(145)
-	-	77,933	77,481	(452)
-	-	3,536,245	1,522,685	(2,013,560)
-	-	511,784	302,044	(209,740)
-	-	57,925	37,295	(20,630)
-	-	3,355,686	3,355,686	-
<u>\$ (30,132)</u>	<u>\$ 180,804</u>	<u>\$ 53,649,636</u>	<u>\$ 51,218,320</u>	

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
State equalization aid	\$ 18,900,408	\$ 18,859,352	\$ (41,056)
State special education fund	3,471,104	3,481,900	10,796
Reimbursed expenses	-	180,804	180,804
Total cash receipts	<u>\$ 22,371,512</u>	<u>22,522,056</u>	<u>\$ 150,544</u>
Expenditures, encumbrances, and transfers:			
Instruction	\$ 7,207,332	7,235,925	\$ 28,593
Student support services	371,706	343,815	(27,891)
Instructional support staff	1,351,044	1,557,112	206,068
General administration	632,372	570,632	(61,740)
School administration	1,704,678	1,709,130	4,452
Central services	285,148	294,089	8,941
Operations and maintenance	2,967,546	3,113,946	146,400
Transportation	1,237,450	1,176,600	(60,850)
Transfers to other funds	6,614,236	6,520,935	(93,301)
Adjustment to comply with legal max	(30,132)		30,132
Adjustment for qualifying budget credits	180,804		(180,804)
Total expenditures, encumbrances, and transfers	<u>\$ 22,522,184</u>	<u>22,522,184</u>	<u>\$ -</u>
Cash receipts under expenditures, encumbrances, and transfers		(128)	
Unencumbered cash, beginning		<u>128</u>	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

SUPPLEMENTAL GENERAL FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	\$ 58,285	\$ 55,344	\$ (2,941)
Ad valorem current tax	2,354,595	2,545,576	190,981
Ad valorem delinquent tax	36,194	36,023	(171)
Motor vehicle tax	416,107	442,593	26,486
Recreational vehicle tax	6,077	6,463	386
Commercial vehicle tax	12,229	12,248	19
Supplemental state aid	3,824,544	3,824,544	-
	<u>\$ 6,708,031</u>	<u>6,922,791</u>	<u>\$ 214,760</u>
Expenditures, encumbrances and transfers:			
Instruction	\$ 5,017,922	4,975,669	\$ (42,253)
Transfers to other funds	2,110,772	2,153,025	42,253
	<u>\$ 7,128,694</u>	<u>7,128,694</u>	<u>\$ -</u>
Cash receipts under expenditures, encumbrances and transfers		(205,903)	
Unencumbered cash, beginning		420,667	
Unencumbered cash, ending		\$ 214,764	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

SPECIAL EDUCATION FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	\$ 767,857	\$ 768,366	\$ 509
Medicaid	300,000	270,006	(29,994)
Local revenues	76,061	80,902	4,841
Transfer from general fund	4,125,913	4,131,900	5,987
Transfer from supplemental general fund	1,440,772	1,440,772	-
	\$ 6,710,603	6,691,946	\$ (18,657)
Expenditures and encumbrances:			
Instruction	\$ 5,009,280	4,924,582	\$ (84,698)
Student support services	1,273,505	1,322,787	49,282
Instructional support staff	23,000	42,780	19,780
General administration	125,588	130,441	4,853
School administration	45,594	51,549	5,955
Transportation	444,130	447,620	3,490
	\$ 6,921,097	6,919,759	\$ (1,338)
Cash receipts and transfers under expenditures and encumbrances		(227,813)	
Unencumbered cash, beginning		1,565,970	
Prior year canceled encumbrances		42	
Unencumbered cash, ending		\$ 1,338,199	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

DRIVER EDUCATION FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
State aid	\$ 18,350	\$ 23,817	\$ 5,467
Local revenues	10,000	25,353	15,353
Total cash receipts	\$ 28,350	49,170	\$ 20,820
Expenditures and encumbrances:			
Instruction	\$ 21,850	14,275	\$ (7,575)
Operations and maintenance	6,500	3,544	(2,956)
Total expenditures and encumbrances	\$ 28,350	17,819	\$ (10,531)
Cash receipts over expenditures over encumbrances		31,351	
Unencumbered cash, beginning		99,656	
Prior year canceled encumbrances		270	
Unencumbered cash, ending		\$ 131,277	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

FOOD SERVICE FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
State aid	\$ 20,600	\$ 18,894	\$ (1,706)
Federal aid	1,078,153	908,497	(169,656)
Local revenues	941,205	938,457	(2,748)
Transfer from general fund	-	100,000	100,000
Total cash receipts and transfers	\$ 2,039,958	1,965,848	\$ (74,110)
Expenditures and encumbrances:			
Operations and maintenance	\$ 85,250	43,564	\$ (41,686)
Food service	1,854,875	1,896,523	41,648
Total expenditures and encumbrances	\$ 1,940,125	1,940,087	\$ (38)
Cash receipts and transfers over expenditures and encumbrances		25,761	
Unencumbered cash, beginning		198,881	
Unencumbered cash, ending		\$ 224,642	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

(Continued)

Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Cash receipts:			
Ad valorem tax in process	\$ 31,277	\$ 30,419	\$ (858)
Ad valorem current tax	1,521,590	1,551,506	29,916
Ad valorem delinquent tax	19,563	18,604	(959)
Motor vehicle tax	222,065	237,021	14,956
Recreational vehicle tax	3,243	3,447	204
Commercial vehicle tax	6,527	6,589	62
State aid	760,795	760,670	(125)
Interest on idle funds	110,750	111,647	897
Other	8,588	43,057	34,469
	<u>\$ 2,684,398</u>	<u>2,762,960</u>	<u>\$ 78,562</u>
Expenditures and encumbrances:			
Instruction equipment	\$ 2,080,000	67,729	\$ (2,012,271)
General administration equipment	120,000	35,371	(84,629)
Operations and maintenance equipment	639,515	1,687,551	1,048,036
Transportation equipment	508,000	40,575	(467,425)
Other support service equipment	100,000	4,894	(95,106)
Site and building improvements	585,000	2,146,178	1,561,178
	<u>\$ 4,032,515</u>	<u>3,982,298</u>	<u>\$ (50,217)</u>
Cash receipts under expenditures and encumbrances		(1,219,338)	
Unencumbered cash, beginning		3,827,851	
Prior year canceled encumbrances		<u>19,811</u>	
Unencumbered cash, ending		<u>\$ 2,628,324</u>	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

VOCATIONAL EDUCATION FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	\$ 20,449	\$ 27,749	\$ 7,300
State aid	8,965	6,012	(2,953)
Transfer from general fund	300,000	300,000	-
Total cash receipts and transfers	\$ 329,414	333,761	\$ 4,347
Expenditures and encumbrances:			
Instruction	\$ 330,974	330,409	\$ (565)
Cash receipts and transfers over expenditures and encumbrances		3,352	
Unencumbered cash, beginning		42,436	
Prior year canceled encumbrances		640	
Unencumbered cash, ending		\$ 46,428	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

PROFESSIONAL DEVELOPMENT FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
State aid	\$ 125	\$ 112	\$ (13)
Supplemental state aid	20,000	30,479	10,479
Transfer from general fund	175,000	155,000	(20,000)
Total cash receipts and transfers	\$ 195,125	185,591	\$ (9,534)
Expenditures and encumbrances:			
Instructional support staff	\$ 210,000	208,715	\$ (1,285)
Cash receipts and transfers under expenditures and encumbrances		(23,124)	
Unencumbered cash, beginning		212,498	
Prior year canceled encumbrances		295	
Unencumbered cash, ending		\$ 189,669	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

BILINGUAL FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	\$ 52,892	\$ 42,892	\$ (10,000)
Transfer from supplemental general fund	20,000	24,238	4,238
Total transfers	\$ 72,892	67,130	\$ (5,762)
Expenditures and encumbrances:			
Instruction	\$ 38,700	67,597	\$ 28,897
Instructional support staff	45,000	-	(45,000)
Total expenditures and encumbrances	\$ 83,700	67,597	\$ (16,103)
Transfers under expenditures and encumbrances		(467)	
Unencumbered cash, beginning		62,545	
Unencumbered cash, ending		\$ 62,078	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

AT-RISK K-12 FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	\$ 1,557,111	\$ 1,407,111	\$ (150,000)
Transfer from supplemental general fund	650,000	688,015	38,015
Total transfers	\$ 2,207,111	2,095,126	\$ (111,985)
Expenditures and encumbrances:			
Instruction	\$ 2,065,246	1,959,626	\$ (105,620)
Student support services	571,678	560,982	(10,696)
Other support services	-	14,298	14,298
Transportation	5,500	806	(4,694)
Total expenditures and encumbrances	\$ 2,642,424	2,535,712	\$ (106,712)
Transfers under expenditures and encumbrances		(440,586)	
Unencumbered cash, beginning		785,312	
Prior year canceled encumbrances		5,937	
Unencumbered cash, ending		\$ 350,663	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

AT-RISK 4 YR OLD FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	\$ 322,000	\$ 290,000	\$ (32,000)
Expenditures and encumbrances:			
Instruction	\$ 270,000	269,855	\$ (145)
Transfers over expenditures and encumbrances		20,145	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ 20,145	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

VIRTUAL EDUCATION FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	\$ 81,320	\$ 94,032	\$ 12,712
Expenditures:			
Instruction	\$ 77,933	77,481	\$ (452)
Transfers over expenditures		16,551	
Unencumbered cash, beginning		20,818	
Unencumbered cash, ending		\$ 37,369	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

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

Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Over (Under)</u>
Cash receipts:			
State aid	\$ 3,536,245	\$ 1,522,685	\$ (2,013,560)
Expenditures:			
Instruction	\$ 2,309,410	1,004,788	\$ (1,304,622)
Student support services	288,744	120,779	(167,965)
Instructional support staff	145,120	64,102	(81,018)
General administration	78,426	33,130	(45,296)
School administration	225,487	96,164	(129,323)
Operations and maintenance	180,682	78,144	(102,538)
Other support services	39,810	17,265	(22,545)
Transportation	152,813	59,713	(93,100)
Food service	115,753	48,600	(67,153)
Total expenditures	<u>\$ 3,536,245</u>	<u>1,522,685</u>	<u>\$ (2,013,560)</u>
Cash receipts over expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

BOND AND INTEREST FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	\$ 35,764	\$ 34,822	\$ (942)
Ad valorem current tax	1,818,985	1,855,173	36,188
Ad valorem delinquent tax	22,229	20,892	(1,337)
Motor vehicle tax	252,375	269,647	17,272
Recreational vehicle tax	3,685	3,918	233
Commercial vehicle tax	7,418	7,489	71
State aid	1,510,058	1,510,058	-
Total cash receipts	<u>\$ 3,650,514</u>	<u>3,701,999</u>	<u>\$ 51,485</u>
Expenditures:			
Principal	\$ 2,495,000	2,495,000	\$ -
Interest expense	860,686	860,686	-
Total expenditures	<u>\$ 3,355,686</u>	<u>3,355,686</u>	<u>\$ -</u>
Cash receipts over expenditures		346,313	
Unencumbered cash, beginning		<u>3,054,339</u>	
Unencumbered cash, ending		<u>\$ 3,400,652</u>	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

FEDERAL GRANT FUNDS

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

Year Ended June 30, 2019

	<u>Title I</u> <u>2018-2019</u>	<u>Title I</u> <u>2017-2018</u>
Cash receipts:		
Federal aid	<u>\$ 148,561</u>	<u>\$ 53,210</u>
Expenditures and encumbrances:		
Instruction	158,437	26,924
Transportation	-	-
Student support services	34,842	-
Community services operations	<u>-</u>	<u>-</u>
Total expenditures and encumbrances	<u>193,279</u>	<u>26,924</u>
Cash receipts over (under) expenditures and encumbrances	(44,718)	26,286
Unencumbered cash, beginning	<u>-</u>	<u>(26,286)</u>
Unencumbered cash, ending	<u><u>\$ (44,718)</u></u>	<u><u>\$ -</u></u>

(Continued)

<u>Title II 2018-2019</u>	<u>Title II 2017-2018</u>	<u>Title IV 2018-2019</u>	<u>Total Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
\$ 54,000	\$ 40,182	\$ 24,397	\$ 320,350	\$ 511,784	\$ (191,434)
27,726	27,448	11,792	252,327	\$ 425,931	\$ (173,604)
-	-	-	-	-	-
2,795	12,080	-	49,717	85,853	(36,136)
-	-	-	-	-	-
<u>30,521</u>	<u>39,528</u>	<u>11,792</u>	<u>302,044</u>	<u>\$ 511,784</u>	<u>\$ (209,740)</u>
23,479	654	12,605	18,306		
-	(654)	-	(26,940)		
<u>\$ 23,479</u>	<u>\$ -</u>	<u>\$ 12,605</u>	<u>\$ (8,634)</u>		

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

OTHER GIFTS AND GRANTS FUND

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

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Other aid	\$ 52,925	\$ 33,336	\$ (19,589)
Expenditures and encumbrances:			
Instruction	\$ 17,000	37,295	\$ 20,295
Central services	40,925	-	(40,925)
Total expenditures and encumbrances	\$ 57,925	37,295	\$ (20,630)
Cash receipts under expenditures and encumbrances		(3,959)	
Unencumbered cash, beginning		20,017	
Prior year canceled encumbrances		346	
Unencumbered cash, ending		\$ 16,404	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

TEXTBOOK RENTAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Cash receipts:	
Fees	\$ 176,705
Other revenue	192,006
	<hr/>
Total cash receipts	368,711
Expenditures and encumbrances:	
Instruction	643,935
	<hr/>
Cash receipts under expenditures and encumbrances	(275,224)
Unencumbered cash, beginning	544,090
Prior year canceled encumbrances	4,288
	<hr/>
Unencumbered cash, ending	\$ 273,154
	<hr/> <hr/>

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Unencumbered cash, beginning	\$ 1,486,579
Unencumbered cash, ending	\$ 1,486,579

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

BOND FUND 2013

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Cash receipts:		
Interest	\$	159
Expenditures:		
Site and building improvements		<u>49,528</u>
Cash receipts under expenditures		(49,369)
Unencumbered cash, beginning		<u>49,369</u>
Unencumbered cash, ending	\$	<u><u>-</u></u>

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

Year Ended June 30, 2019

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Shawnee Heights High:					
Academic club	\$ 52	\$ -	\$ -	\$ -	\$ 52
Anime club	35	58	-	-	93
Art club	161	245	318	-	88
Avid	-	440	294	-	146
Baseball club	591	8,637	6,083	-	3,145
Black student union	219	86	200	-	105
Booster club wish list	400	-	-	-	400
Bowling	899	2,501	811	-	2,589
Boys basketball	1,523	581	1,590	-	514
Boys golf	1,217	2,000	1,365	-	1,852
Boys soccer club	485	2,027	1,727	-	785
Boys swimming	346	1,141	616	-	871
Broadcast journalism	2,836	-	225	-	2,611
Cheerleaders	6,190	46,970	29,678	-	23,482
Choraliers	938	3,667	2,988	-	1,617
Class of 2022	-	1,095	61	-	1,034
Class of 2018	4,538	-	4,538	-	-
Class of 2019	1,559	1,090	796	-	1,853
Class of 2020	1,607	1,036	1,746	-	897
Class of 2021	1,329	1,025	1,561	-	793
Coffee shop	3,456	1,159	1,703	-	2,912
Concessions	27,681	35,859	55,944	-	7,596
Cookie Shack	1,487	4,236	3,816	-	1,907
Cross country club	4,270	1,563	368	-	5,465
Debate	1,379	3,825	3,398	-	1,806
Drum line	17	-	-	-	17
FBLA	1,614	2,885	3,592	-	907
FCA	874	-	-	-	874
FCCLA	1,811	2,344	2,219	-	1,936
FFA	-	7,963	6,537	-	1,426
Football	1,390	10,706	11,477	-	619
Garden club	169	-	-	-	169
Girls basketball	1,673	1,431	1,737	-	1,367
Girls golf	642	317	141	-	818
Girls soccer club	1,314	3,104	1,713	-	2,705
Girls swimming	1,243	1,874	540	-	2,577
Graduated classes	6,575	5,660	9,000	-	3,235
GSA	174	995	665	-	504
Subtotal forward	\$ 80,694	\$ 156,520	\$ 157,447	\$ -	\$ 79,767

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Shawnee Heights High:					
Subtotal forward	\$ 80,694	\$ 156,520	\$ 157,447	\$ -	\$ 79,767
Hall of fame	2,435	-	200	-	2,235
Halo	503	14	150	-	367
International club	1,957	-	-	-	1,957
iPad insurance	-	21,228	21,228	-	-
J.A.G.	418	159	378	-	199
Junior civitan club	1,692	2,231	2,752	-	1,171
Junior/senior prom	2,638	10,559	10,881	-	2,316
Key club	609	293	88	-	814
Metals	344	-	-	-	344
Model U.N.	175	184	184	-	175
National honor society	1,009	5,666	5,809	-	866
Newspaper	21,972	30,279	13,634	-	38,617
NJROTC unit maintenance	8,366	-	3,294	-	5,072
Orbit	16	-	16	-	-
Orchestra	28,530	33,458	21,620	-	40,368
Parent teacher organization	5,177	6,082	2,711	-	8,548
Parking	489	9,685	10,154	-	20
Project account	320	15,440	10,863	-	4,897
Random drug testing	896	11,504	12,361	-	39
Regional music	2,510	11,572	10,213	-	3,869
Royals ticket vouchers	7,648	-	6,682	-	966
SADD	842	-	-	-	842
S.A.E.	585	-	-	-	585
Softball	5,263	4,407	5,526	-	4,144
Spirit club	473	10,191	8,924	-	1,740
Stage band	142	2,005	946	-	1,201
Student council	712	1,822	2,202	-	332
Teen topics	500	-	-	-	500
Tennis	14	294	308	-	-
Testing funds	770	3,306	3,474	-	602
Thunderettes	2,315	5,694	1,000	-	7,009
TMH classroom	347	-	100	-	247
Track club	398	1,825	686	-	1,537
Volleyball	1,532	3,167	2,278	-	2,421
Wrestling	3,165	2,562	1,106	-	4,621
Wood project	150	-	-	-	150
Subtotal Shawnee Heights High	\$ 185,606	\$ 350,147	\$ 317,215	\$ -	\$ 218,538

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Funds	Balance, July 1	Cash Receipts	Cash Disbursements	Transfers	Balance, June 30
Shawnee Heights Middle:					
Blue team 7th	\$ 310	\$ 425	\$ 626	\$ -	\$ 109
Blue team 8th	316	646	875	-	87
Dance	-	4,386	4,205	-	181
E-team	521	-	521	-	-
Outdoor club	-	897	366	-	531
Performing arts	2,050	526	600	-	1,976
Reaching new heights	326	1,633	1,959	-	-
Red team 7th	199	735	869	-	65
Red team 8th	170	763	686	-	247
Special education fund	384	-	-	-	384
Spirit club	1,036	-	100	-	936
Student agenda	-	1,161	1,161	-	-
Student council	5,716	2,519	2,399	-	5,836
T-Birds pride	15,358	21,870	25,331	-	11,897
White team 7th	97	603	137	-	563
White team 8th	306	600	806	-	100
Subtotal Shawnee Heights Middle	<u>26,789</u>	<u>36,764</u>	<u>40,641</u>	<u>-</u>	<u>22,912</u>
Tecumseh South Elementary:					
Student council	<u>4,328</u>	<u>11,764</u>	<u>11,611</u>	<u>-</u>	<u>4,481</u>
Total all funds	<u>\$ 216,723</u>	<u>\$ 398,675</u>	<u>\$ 369,467</u>	<u>\$ -</u>	<u>\$ 245,931</u>

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

DISTRICT ACTIVITY FUNDS
GATE RECEIPTS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate receipts:							
Shawnee Heights High	\$ 17,976	\$ -	\$ 109,982	\$ 111,767	\$ 16,191	\$ 2,621	\$ 18,812
Shawnee Heights Middle	17,926	-	26,109	30,328	13,707	-	13,707
Total gate receipts	<u>\$ 35,902</u>	<u>\$ -</u>	<u>\$ 136,091</u>	<u>\$ 142,095</u>	<u>\$ 29,898</u>	<u>\$ 2,621</u>	<u>\$ 32,519</u>

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

DISTRICT ACTIVITY FUNDS
SCHOOL PROJECTS

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

Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Shawnee Heights High projects:							
Counselor assistance fund	\$ 100	\$ -	\$ -	\$ 61	\$ 39	\$ -	\$ 39
Faculty activities	816	-	6,240	5,915	1,141	-	1,141
Gym pop	717	-	4,719	4,698	738	-	738
Interest	2,403	-	2,150	3,735	818	-	818
Memorial contributions	3,551	-	200	987	2,764	-	2,764
Miscellaneous	-	-	10,153	8,830	1,323	-	1,323
Sales tax account	6	-	14,167	13,320	853	-	853
SHHS scholarship	1,058	-	4,300	4,300	1,058	-	1,058
Student activity	1,452	-	652	2,030	74	-	74
Technology fee	-	-	14,898	14,898	-	-	-
Total Shawnee Heights High projects	10,103	-	57,479	58,774	8,808	-	8,808
Shawnee Heights Middle projects:							
Art after school	27	-	-	27	-	-	-
Counseling	161	-	-	-	161	-	161
Faculty activities	872	-	550	539	883	-	883
Interest	2,693	-	537	-	3,230	-	3,230
Miscellaneous	12,468	-	8,407	7,898	12,977	-	12,977
Sales tax account	1,033	-	2,316	2,291	1,058	-	1,058
Student pop	4,949	-	132	1,335	3,746	-	3,746
X-tech fund	44	-	-	44	-	-	-
Total Shawnee Heights Middle projects	22,247	-	11,942	12,134	22,055	-	22,055
Berryton Elementary projects:							
Contributions	1,196	-	-	-	1,196	-	1,196
Educational funding group	9,087	-	3,045	640	11,492	90	11,582
Miscellaneous	1,731	-	2,198	1,784	2,145	-	2,145
Pop	64	-	751	743	72	-	72
PTO	215	-	-	-	215	-	215
Sales tax account	10	-	54	66	(2)	-	(2)
Technology fee	230	-	1,800	1,800	230	-	230
Total Berryton Elementary projects	\$ 12,533	\$ -	\$ 7,848	\$ 5,033	\$ 15,348	\$ 90	\$ 15,438

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

DISTRICT ACTIVITY FUNDS
SCHOOL PROJECTS

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

Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Shawnee Heights Elementary projects:							
Donations	\$ 742	\$ -	\$ 1,020	\$ 516	\$ 1,246	\$ -	\$ 1,246
EFG	5,875	-	2,576	5,288	3,163	-	3,163
Memorial	-	-	3,175	2,540	635	-	635
Miscellaneous	-	-	3,067	3,067	-	-	-
Pop	3	-	134	-	137	-	137
Sales Tax Account	-	-	193	193	-	-	-
Technology fee	-	-	1,645	1,645	-	-	-
Total Shawnee Heights Elementary projects	6,620	-	11,810	13,249	5,181	-	5,181
Tecumseh North projects:							
Bird sanctuary	41	-	-	41	-	-	-
Donations	1,162	-	7	177	992	-	992
EFG	6,841	-	6,354	4,858	8,337	-	8,337
Intramural grant - BCBS	-	-	-	-	-	-	-
Miscellaneous	564	-	721	52	1,233	-	1,233
Pop	1,167	-	224	283	1,108	-	1,108
Ryan Cochran memorial	170	-	917	457	630	-	630
Sales tax account	-	-	183	183	-	-	-
Technology fee	-	-	2,225	2,225	-	-	-
Total Tecumseh North projects	9,945	-	10,631	8,276	12,300	-	12,300
Tecumseh South projects:							
Donations	489	-	5,513	5,450	552	75	627
Library at school	-	-	353	353	-	-	-
Pop	83	-	285	301	67	-	67
Sales tax account	-	-	74	74	-	-	-
Stahel memorial	489	-	-	25	464	-	464
Technology fee	-	-	1,745	1,745	-	-	-
Total Tecumseh South projects	1,061	-	7,970	7,948	1,083	75	1,158
Total school projects	\$ 62,509	\$ -	\$ 107,680	\$ 105,414	\$ 64,775	\$ 165	\$ 64,940

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

DISTRICT ACTIVITY FUNDS

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

Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Shawnee Heights High:								
AP funds	\$ -	\$ -	\$ 20,229	\$ 19,145	\$ -	\$ 1,084	\$ -	\$ 1,084
Class fees	-	-	61,343	61,343	-	-	-	-
Driver education	-	-	24,296	24,296	-	-	-	-
Equipment Replacement	-	-	2,355	2,355	-	-	-	-
Justice Mitchell scholarship	383	-	-	-	-	383	-	383
Library book replacement	-	-	74	74	-	-	-	-
Lunch account	300	-	90,017	89,229	-	1,088	-	1,088
Petty cash #1	1,500	-	1,188	1,188	-	1,500	-	1,500
Petty cash #2	1,604	-	2,141	2,245	-	1,500	-	1,500
PE uniforms	-	-	13	13	-	-	-	-
Sports participation fees	-	-	18,326	18,326	-	-	-	-
Textbook rental	-	-	52,169	52,169	-	-	-	-
Yearbook	-	-	36,591	36,591	-	-	-	-
Subtotal Shawnee Heights High	3,787	-	308,742	306,974	-	5,555	-	5,555
Shawnee Heights Middle:								
Class fees	-	-	12,944	12,944	-	-	-	-
Cross country	2,736	-	50	-	-	2,786	-	2,786
Instrument rental	-	-	1,458	1,458	-	-	-	-
Ipad protection plan	-	-	149	149	-	-	-	-
Library book replacement	-	-	302	302	-	-	-	-
Lunch account	195	-	51,652	51,298	-	549	-	549
PE uniforms	-	-	1,770	1,770	-	-	-	-
Petty cash	1,500	-	4,941	4,941	-	1,500	-	1,500
Sports participation fees	-	-	3,770	3,770	-	-	-	-
Technology fee	-	-	3,361	3,361	-	-	-	-
Textbook rental	-	-	10,831	10,831	-	-	-	-
Yearbook	-	-	6,750	6,750	-	-	-	-
Subtotal Shawnee Heights Middle	4,431	-	97,978	97,574	-	4,835	-	4,835
Berryton Elementary:								
Annual fee	84	-	79	79	-	84	-	84
Band/orchestra	144	-	1,992	1,997	-	139	-	139
Class fees	818	-	8,794	8,794	-	818	-	818
Intramurals	300	-	1,100	1,100	-	300	-	300
Library book replacement	-	-	292	292	-	-	-	-
Lunch account	29,081	-	51,821	51,821	-	29,081	-	29,081
Petty cash	300	-	406	406	-	300	-	300
Textbook rental	335	-	3,481	3,481	-	335	-	335
Subtotal Berryton Elementary	\$ 31,062	\$ -	\$ 67,965	\$ 67,970	\$ -	\$ 31,057	\$ -	\$ 31,057

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

DISTRICT ACTIVITY FUNDS

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

Year Ended June 30, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Shawnee Heights Elementary:								
Band/orchestra	\$ -	\$ -	\$ 1,488	\$ 1,488	\$ -	\$ -	\$ -	\$ -
Class fees	-	-	7,805	7,805	-	-	-	-
Library book replacement	-	-	83	83	-	-	-	-
Lunch account	-	-	38,254	38,254	-	-	-	-
Petty cash	300	-	198	198	-	300	-	300
Textbook rental	-	-	3,060	3,060	-	-	-	-
Yearbook	-	-	2,034	2,034	-	-	-	-
Subtotal Shawnee Heights Elementary	300	-	52,922	52,922	-	300	-	300
Tecumseh North:								
Band/orchestra	-	-	999	999	-	-	-	-
Intramurals	-	-	925	925	-	-	-	-
Library book replacement	-	-	402	402	-	-	-	-
Lunch account	-	-	44,108	44,108	-	-	-	-
Petty cash	300	-	634	634	-	300	-	300
Textbook fees	-	-	14,975	14,975	-	-	-	-
Textbook rental	-	-	4,154	4,154	-	-	-	-
Yearbook	-	-	2,257	2,257	-	-	-	-
Subtotal Tecumseh North	300	-	68,454	68,454	-	300	-	300
Tecumseh South:								
Band/orchestra	-	-	1,180	1,180	-	-	-	-
Class fees	-	-	9,570	9,570	-	-	-	-
Intramurals	-	-	1,345	1,345	-	-	-	-
Lunch account	-	-	32,995	32,995	-	-	-	-
Miscellaneous	-	-	838	-	-	838	-	838
Petty cash	300	-	1,432	1,432	-	300	-	300
Textbook fees	-	-	3,607	3,607	-	-	-	-
Yearbook	-	-	1,037	1,037	-	-	-	-
Subtotal Tecumseh South	300	-	52,004	51,166	-	1,138	-	1,138
Total all funds	\$ 40,180	\$ -	\$ 648,065	\$ 645,060	\$ -	\$ 43,185	\$ -	\$ 43,185

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Award
<u>United States Department of Agriculture:</u>		
Passed through Kansas State Department of Education:		
Child Nutrition Cluster:		
School Breakfast Program	10.553	\$ 149,634
National School Lunch Program	10.555	642,433
Cash for Commodities	10.555	90,002
Summer Food Service Program for Children	10.559	26,428
Total Child Nutrition Cluster		
<u>United States Department of Education:</u>		
Passed through Kansas State Department of Education:		
Special Education Cluster (IDEA):		
Grants to States 2019	84.027	695,936
Discretionary 2019	84.027	27,193
Preschool Grants 2019	84.173	35,402
Total Special Education Cluster (IDEA)		
Grants not clustered:		
Title I, Grants to Local Educational Agencies, 2018	84.010	340,610
Title I, Grants to Local Educational Agencies, 2019	84.010	338,359
Career and Technical Education Basic Grants to States	84.048	23,302
Guidance and Counseling	84.048	4,447
Supporting Effective Instruction, 2019	84.367	82,397
Supporting Effective Instruction, 2018	84.367	79,182
Student Support and Academic Enrichment	84.424	24,397
Total grants not clustered		
Total United States Department of Education		
Total expenditures of federal awards		

See accompanying notes to schedule of
expenditures of federal award.

Unencumbered Cash Balance July 1, 2018	Amount Received	Disbursements, Accounts Payable, Encumbrances and Transfers	Prior-Year Canceled Encumbrances	Unencumbered Cash Balance June 30, 2019
\$ -	\$ 149,634	\$ 149,634	\$ -	\$ -
-	642,433	642,433	-	-
-	90,002	90,002	-	-
-	26,428	26,428	-	-
-	908,497	908,497	-	-
-	705,771	705,771	-	-
-	27,193	27,193	-	-
-	35,402	35,402	-	-
-	768,366	768,366	-	-
(26,286)	53,210	26,924	-	-
-	148,561	193,279	-	(44,718)
-	23,302	23,302	-	-
-	4,447	4,447	-	-
-	54,000	30,521	-	23,479
(654)	40,182	39,528	-	-
-	24,397	11,792	-	12,605
(26,940)	348,099	329,793	-	(8,634)
(26,940)	1,116,465	1,098,159	-	(8,634)
\$ (26,940)	\$ 2,024,962	\$ 2,006,656	\$ -	\$ (8,634)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS

Year Ended June 30, 2019

1 - General

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Shawnee Heights Unified School District No. 450 (the District) under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statement. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

2 - Basis of Accounting

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

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

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

Section I - Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section I - Summary of Auditors' Results (Continued)

Identification of major programs:

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

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.



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

Board of Education
Shawnee Heights Unified School District No. 450:

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 Shawnee Heights Unified School District No. 450 (the District) which comprises the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash as of June 30, 2019 and the related notes to the financial statement and have issued our report thereon dated December 9, 2019. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial 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 the District's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Berberich Trahan & Co., P.A.

December 9, 2019
Topeka, Kansas



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

3630 SW Burlingame Road Topeka, Kansas 66611 | t: 785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandccpa.com

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

Board of Education
Shawnee Heights Unified School District No. 450:

Report on Compliance for Each Major Federal Program

We have audited the Shawnee Heights Unified School District No. 450's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2019. The District's major federal program is identified in the summary of auditors' 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program 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 Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

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

Opinion on 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 its major federal program for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

Berberich Trahan & Co., P.A.

December 9, 2019
Topeka, Kansas