

**WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO. 259**

OMB *CIRCULAR A-133*, SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2015

WITH

INDEPENDENT AUDITOR'S REPORTS



WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO. 259

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OMB *CIRCULAR A-133*, SINGLE AUDIT REPORT

Year Ended June 30, 2015

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

Independent Auditor's Report

The Board of Education  
**Wichita Public Schools**  
**Unified School District No. 259**

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 statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wichita Public Schools Unified School District No. 259 (District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 14, 2015.

**Internal Control over Financial Reporting**

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

A *deficiency in internal 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

*Allen, Gibbs & Houlik, L.C.*  
CERTIFIED PUBLIC ACCOUNTANTS

December 14, 2015  
Wichita, Kansas

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY OMB CIRCULAR A-133

Independent Auditor's Report

The Board of Education  
**Wichita Public Schools**  
**Unified School District No. 259**

**Report on Compliance for Each Major Federal Program**

We have audited Wichita Public Schools Unified School District No. 259's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion of Each Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

## **Report on Internal Control over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wichita Public Schools Unified School District No. 259 as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 14, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to December 14, 2015. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Allen, Gibbs & Houlik, L.L.C.*  
CERTIFIED PUBLIC ACCOUNTANTS

January 14, 2016  
Wichita, Kansas



**WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO. 259**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2015

SECTION I – SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

FEDERAL AWARDS

Internal control over major programs:

- Material weaknesses identified? \_\_\_\_\_ Yes   X   No
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None reported

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of *OMB Circular A-133*? \_\_\_\_\_ Yes   X   No

Identification of major federal programs, and type of auditor's report issued on compliance for major federal programs:

<i>CFDA NUMBER</i>	<i>NAME OF FEDERAL PROGRAM</i>	<i>OPINION</i>
10.553 / 10.555 / 10.559	Child Nutrition Cluster	Unmodified
84.027 / 84.173	Special Education Cluster	Unmodified
84.165	Title V Part C Magnet School Assistance	Unmodified
84.367	Title II, Part A, Teacher Quality	Unmodified
84.365	Title III, English Language Acquisition	Unmodified

**WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO. 259**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2015

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SECTION I – SUMMARY OF AUDITOR'S RESULTS

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Dollar threshold used to distinguish  
between type A and type B programs:

\$ 2,129,146

Auditee qualified as low-risk auditee?

X  Yes         No

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SECTION II – FINANCIAL STATEMENT FINDINGS

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No matters were reported.

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SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

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No matters were reported.

**WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO. 259**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2015

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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**Federal Awards Findings**

<i>Finding Number</i>	<i>Finding</i>	<i>CFDA Number</i>	<i>Comments</i>
2014-001	Significant Deficiency on Child Nutrition Cluster	10.553 / 10.555 / 10.559	The District was unable to locate one household application out of 60 tested. The District has since implemented a process for backing up on-line applications before the rollover to a new school year.  Completed 2015
2014-002	Significant Deficiency on Special Education IDEA	84.027 / 84.173	One supplemental salary was coded to the IDEA department the employee formerly was involved in, but had since moved due to the default general ledger account string in PeopleSoft. The District has since removed the default general ledger account string. Special Education personnel have been trained to review general ledger payroll postings on a monthly basis to confirm accuracy of postings to federal awarded dollars.  Completed 2015

WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO 259

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For Year Ended June 30, 2015

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through/Direct Number	Direct Expenditures	Pass through Expenditures
<b>U.S. Department of Agriculture:</b>				
Pass through from:				
<b>Kansas State Department of Education</b>				
<u>Child Nutrition Cluster</u>				
School Breakfast Program	10.553	3529-3490 3490 9904		\$ 3,890,626
National School Lunch Program				
Cash for Commodities	10.555	3530-3500 3500 9912		1,377,773
Section 4	10.555	3530-3500 3500 9902		14,721,794
Section 11	10.555	3530-3500 3500 9903		211,328
Summer Food Service Program for Children - Food	10.559	3230-3020 3020 9923		416,780
Summer Food Service Program for Children - Sponsor Admin	10.559	3230-3020 3020 9925		43,268
Summer Food Service Program for Children - CFC	10.559	3230-3020 3020 9988		2,453
		<i>Child Nutrition Cluster Subtotal</i>		20,664,022
Child and Adult Care Food Program				
Cash for Commodities	10.558	3531-3510 3510 9916		4,303
Meal Costs	10.558	3531-3510 3510 9921		236,163
Federal School Food Service	10.560	3230-3020 R201		356
		3230-3020 R648; 3230-3020 R661; & 3230-3020 R680		
Team Nutrition	10.574			4,509
Fresh Fruit and Vegetable Program FY14	10.582	3230-3020 3020 9926		610,279
			-	21,519,632
<b>U.S. Department of Defense:</b>				
Direct Program:				
USMC - ROTC & JROTC Training Reimbursements	12.XXX	TRNGMX08	2,169	
			2,169	
<b>U.S. Department of Labor:</b>				
Pass through from:				
<b>Wichita State University</b>				
Project Lead The Way new course implementations for McAuliffe	17.268	V1413318		13,693
			-	13,693
<b>U.S. Department of Education:</b>				
Direct Programs:				
Title VII Native American Indian Education_Grants to Local Educational Agencies 2014	84.060	S060A122111	18,498	
Title VII Native American Indian Education_Grants to Local Educational Agencies 2015	84.060	S060A142111	262,963	
<u>Fund for the Improvement of Education Programs</u>				
Title V Part C Magnet School Assistance - Mueller Project DREAM	84.165	U165A10006	25,695	
Title V Part C Magnet School Assistance Program - Project DISCOVER	84.165	U165A13000	4,461,441	
			4,487,136	
Pass through from:				
<b>Kansas Board of Regents:</b>				
Career and Technical Education - Basic Grants to States - KBOR Salary Funding - RPOS	84.048	Basic Grant FY13		32,152
<b>Kansas State Board of Education:</b>				
<u>Title 1 Grants to Local Educational Agencies</u>				
Title I Part A Grants to Local Educational Agencies - 2013	84.010	3532-3520 3520		680,024
Title I Part A Grants to Local Educational Agencies - 2014	84.010	3532-3520 3520		2,022,106
Title I Part A Grants to Local Educational Agencies - 2015	84.010	3532-3520 3520		20,550,530
Title I School Improvement Section 1000(a)				
Title I School Improvement 1003(a) FY15	84.010	3233-3040 3040 9954		517,666
Title I School Improvement 1000(a) FY14	84.010	3233-3040 3040 9954		989,783
<u>Title I Program for Neglected and Delinquent Children</u>				
Title I Part D Grants to Local Educational Agencies - Delinquent 2014	84.010	3233-3040 3040 9930		44,588
Title I Part D Grants to Local Educational Agencies - Delinquent 2015	84.010	3233-3040 3040 9930		388,600
		<i>Title 1, Part A Subtotal</i>		25,193,297
<u>Migrant Education State Grant Program</u>				
Title I C Migrant 2014	84.011	3537-3570 3570		9,131
Title I C Migrant 2015	84.011	3537-3570 3570		245,000
Title I C Migrant Summer Services Program FY15	84.011	3537-3570 3570		1,825
<u>Special Education Cluster (IDEA)</u>				
Special Education_Grants to States - 'EC Flow Through 3-21 PRIVATE SCHOOL PS - FY 14	84.027	3234-3050 3050 1000		119,939
Special Education_Grants to States - Title VI Part B Pass Thru 2014	84.027	3234-3050 3050 1000		6,785,318
Special Education_Grants to States - Title VI Part B Pass Thru 2015	84.027	3234-3050 3050 1000		4,011,829
Special Education_Grants to States - Title VI Part B Continuous Improvement 2015	84.027	3235-3550 3550 1000		351,381
Special Education_Grants to States-Title VIB Discretionary IDEA support of 21st CCLC-After School	84.027	3235-3550 3550 1000		259,469
Title VIB State Administrative Funds - 2015 TASN Conference Reimbursement	84.027	3534-3540 1000 T401		200
Special Education_Preschool Grants - 'Early Childhood 3-5 PRIVATE SCHOOL PS - FY15	84.173	3535-3550 3550 1000		55,603
Special Education_Preschool Grants - Early Childhood Flow-Through 2014	84.173	3535-3550 3550 1000		67,572
Special Education_Preschool Grants - Early Childhood Flow-Through 2015	84.173	3535-3550 3550 1000		167,158

WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO 259

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For Year Ended June 30, 2015

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through/Direct Number	Direct Expenditures	Pass through Expenditures
<b>Special Education Cluster Subtotal</b>				11,818,469
<i>Career and Technical Education, Basic Grants to States</i>				
Carl Perkins Secondary Improvement 2014	84.048	3539-3590 3590 9920		53,455
Carl Perkins Secondary Improvement 2015	84.048	3539-3590 3590 9920		561,298
Carl Perkins Certified Protection Officer Training	84.048	3539-3590 3590 9920		1,100
LPSS, Transportation, Mfg., Architecture & Construction Clusters Equipment & Supply Grant #46080	84.048	3539-3590 3590 9920		2,926
Carl Perkins Skills USA	84.048	3539-3590 3590 9920		500
<i>Safe and Drug-Free Schools and Communities, State Grants</i>				
Title IVA Safe and Drug-Free Schools and Communities, National Programs - FY13 - West High	84.184	3799-3110 F098		77,317
<i>Education for Homeless Child and Youth</i>				
Education for Homeless Children and Youth - 2014	84.196	3592-3070 U896		12,667
Education for Homeless Children and Youth - 2015	84.196	3592-3070 U900		117,108
<b>Education for Homeless Children and Youth Cluster Subtotal</b>				129,775
<i>21st Century Community Learning Centers</i>				
Title IVB - 21st Century Community Learning Centers - After School Program	84.287	S287C110016-11A		513,928
<i>Advanced Placement &amp; Testing Fee Programs</i>				
Title III English Language Acquisition State Grants 2013	84.365	3522-3820 3820		242
Title III English Language Acquisition State Grants 2014	84.365	3522-3820 3820		10,231
Title III English Language Acquisition State Grants 2015	84.365	3522-3820 3820		944,642
<i>Mathematics and Science Partnerships</i>				
Title IIB Mathematics and Science Partnerships - Cessna & Stanley	84.366	3233-3040 3040 9993		16,633
Title IIB Mathematics and Science Partnerships - FY15-18	84.366	3323-3040 3040 9993		28,158
<i>Title II Improving Teacher Quality State Grants</i>				
Title IIA - Improving Teacher Quality State Grants - 2014	84.367	3526-3860 3860		101,123
Title IIA - Improving Teacher Quality State Grants - 2015	84.367	3526-3860 3860		2,264,757
Title IIA - Improving Teacher Quality - Discretionary Reimbursement - KTOY Leadership Conference	84.367	3527-3870 5000 D902		60
Title IIA - Improving Teacher Quality FY09 - Discretionary Reimbursement - KEEN St. Ed Conference	84.367	3527-3870 5000 D907		530
Title I School Improvement Grants 1003(g) - Pleasant Valley Middle School	84.377	3233-3040 3040 9977		101,123
Title I School Improvement 1003(g) American Recovery and Reinvestment Act -Curtis Middle School	84.388A	3233-3042 3042 4388		40,446
<b>Wichita State University</b>				
Title IIC - Transition to Teaching - Teacher Quality Prep (TQP)	84.350	U336S090086-11		141,972
Gaining Early Awareness & Readiness for Undergraduate Programs (Gear Up North)	84.334	U336S090086-11		21,975
Gaining Early Awareness & Readiness for Undergraduate Programs (Gear Up South)	84.334	U336S090086-11		1,407
<b>Total U.S. Department of Education</b>			<b>4,768,597</b>	<b>42,313,472</b>
<b>U.S. Department of Health and Human Services:</b>				
Pass through from:				
<b>Sedgwick County:</b>				
Affordable Care Act (ACA) Personal Responsibility Education Program - PREP	93.092	Yr 3 Contract - PREP		34,360
Affordable Care Act (ACA) HRSA Medical Clinic Grant - West A1	93.501	C12CS21815		500,000
Affordable Care Act (ACA) Grants for School-Based Health Ctr - Cap Expend - Jardine Middle School	93.501	C12CS25549		428,990
<b>KS Dept. of Social and Rehabilitation Services</b>				
Social Services Block Grant - CDC / Latchkey Programs	93.667	Contract FY2014 - 2015		668,488
<b>Kansas Department of Education:</b>				
<i>Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems</i>				
2009 Youth Risk Survey - CDC/DHHS Division of Adolescent School Health	93.938	3592-3070 R228 / R235 3592-3070 R034/3592-		318
2013 Youth Risk Survey	93.938	3070 R659		1,672
<b>Total U.S. Department of Health and Human Services</b>			<b>-</b>	<b>1,633,828</b>
<b>Federal Emergency Management Agency:</b>				
Pass through from:				
<b>KS Dept. of Emergency Services</b>				
<i>Disaster Grants - Public Assistance (Presidentially Declared Disasters)</i>				
FEMA Northeast Magnet High School	97.039	FEMA-1860-DR-KS		275,027
FEMA Bond Phase 2	97.039	FEMA-DR-1699-KS		445,110
<b>Total Federal Emergency Management Agency</b>			<b>-</b>	<b>720,137</b>
<b>subtotals</b>			<b>\$ 4,770,766</b>	<b>\$ 66,200,762</b>
<b>TOTAL</b>			<b>\$ 70,971,528</b>	

**WICHITA PUBLIC SCHOOLS  
UNIFIED SCHOOL DISTRICT NO. 259**

**NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Wichita Public Schools Unified School District No. 259 and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.