UNIFIED SCHOOL DISTRICT NO. 373

NEWTON, KANSAS

Financial Statement

For the Year Ended June 30, 2022

Unified School District No. 373

For the Year Ended June 30, 2022

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Knudsen Monroe & Company LLC

512 N. Main St, Newton, Kansas 67114-2229 316 283-5366 • 316 283-8379 Fax

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 373
Newton, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 373, Newton, Kansas (District), as of and for the year ended June 30, 2022 and the related disclosures to the financial statement.

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 and Unmodified Opinions section of our report, the accompanying 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, 2022, 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 accompanying 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, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), 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*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal

control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2022 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds, and schedule of receipts, expenditures, and unencumbered cash-District activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2022 basic financial statement, but 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 2022 basic financial statement. The 2022 information has been subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 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 accompanying supplementary information is fairly stated in all material respects in relation to the 2022 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated December 14, 2021, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2022 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2022 basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2021, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the District's basic financial statement. The accompanying 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 Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statement. 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 8, 2022

Unified School District No. 373

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General	$ -	24,112,659	24,112,659	-	69,734	69,734
Supplemental General	335,820	7,207,046	7,218,180	324,686	393	325,079
Special Purpose Funds						
Adult Basic Education	25,000	19,250	19,250	25,000	-	25,000
Bilingual Education	100,000	241,348	241,348	100,000	-	100,000
Virtual Education	35,000	29,050	29,050	35,000	-	35,000
Professional Development	117,337	43,881	26,484	134,734	-	134,734
At Risk (K-12)	250,000	4,677,400	4,677,400	250,000	-	250,000
At Risk (4 year old)	100,000	219,017	219,017	100,000	-	100,000
Capital Outlay	1,252,671	3,676,960	3,740,405	1,189,226	809,958	1,999,184
Driver Training	44,622	-	3,516	41,106	-	41,106
Food Service	491,795	2,095,643	1,951,730	635,708	2,130	637,838
Parent Education	32,784	160,228	164,046	28,966	-	28,966
Summer School	9,478	11,545	10,632	10,391	-	10,391
Special Education	624,740	5,728,758	5,775,636	577,862	-	577,862
Special Education Cooperative	1,520,666	9,027,500	8,471,417	2,076,749	35	2,076,784
Career and Postsecondary Education	254,075	1,491,007	1,602,393	142,689	-	142,689
KPERS Employer Contribution	-	3,964,771	3,964,771	-	-	-
Recreation Commission	76,768	1,399,437	1,383,000	93,205	-	93,205
Recreation Commission Employee Benefits	22,422	414,449	410,000	26,871	-	26,871
Contingency Reserve	868,396	-	-	868,396	-	868,396
Textbook and Material Revolving	218,180	213,098	287,174	144,104	65,627	209,731
Employer Fixed Charges	148,877	132,105	38,673	242,309	-	242,309
Federal and State Grant Programs						
Head Start	-	1,102,899	1,102,899	-	-	-
Improving Basic Programs Operated by Local Educational Agencies (Title I)	(12,961)	634,668	690,968	(69,261)	-	(69,261)
Supporting Effective Instruction (Title II)	15,765	96,857	145,450	(32,828)	2,443	(30,385)
English Language Acquisition (Title III)	3,164	9,816	17,832	(4,852)	-	(4,852)
Student Support & Academic Enrichment Program (Title IV)	(549)	44,138	43,589	-	-	-
Elementary Secondary School Emergency Relief						
ESSER I	(21,886)	21,886	-	-	-	-
ESSER II	-	991,173	1,112,945	(121,772)	427	(121,345)
KDHE COVID Testing Grant	-	115,210	115,210	-	-	-
Bond and Interest Funds						
Bond and Interest	4,905,321	4,748,402	4,305,156	5,348,567	-	5,348,567
District Activity Funds						
Activity Gate Receipts	60,638	386,384	381,910	65,112	-	65,112
School Projects	7,712	111,451	102,110	17,053	-	17,053
Total Reporting Entity (Excluding Agency Funds)	$ 11,485,835	73,128,036	72,364,850	12,249,021	950,747	13,199,768

Composition of Cash	
Union State Bank	
Checking	$ 128,414
Intrust Bank	
Checking	1,371,039
Municipal Investment Pool	12,183,159
Total Cash	13,682,612
Less Agency Funds (Schedule 3)	482,844
Total Reporting Entity (Excluding Agency Funds)	$ 13,199,768

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Unified School District No. 373, Newton, Kansas, is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District No. 373 (District), a municipality.

Regulatory Basis Fund Types

General Fund – used to account for all resources except those required to be accounted for in another fund.

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

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

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

Agency Fund – used to report assets held by the District in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.).

Activity Fund – under provisions of K.S.A. 72-1178, the Board of Education adopted a resolution relating to the school activity funds, which results in the activity funds being accounted for under policies and procedures of the Board.

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

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

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

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Funds, 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

If the District is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The District held a revenue neutral rate hearing on August 23, 2021.

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 this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for the 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 Agency Funds, District Activity Funds, or the following Special Purpose Funds: Contingency Reserve, Textbook and Material Revolving, Employer Fixed Charges, and Federal and State Grant Programs.

Spending in funds that 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.

Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparison, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

2. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $1,213,345 subsequent to June 30, 2022, 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, 2022.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The District does not purchase products or services offered by Kansas industries for the blind and severely disabled, which is a violation of K.S.A. 75-3317 through 75-3322.

The Improving Basic Programs Operated by Local Educational Agencies (Title I), Supporting Effective Instruction (Title II), English Language Acquisition (Title III) and Elementary Secondary School Emergency Relief (ESSER II) funds reflect negative ending unencumbered cash balances for the year ending June 30, 2022. K.S.A. 10-1116a provides that under certain situations, a fund can end the year with a negative unencumbered cash balance and therefore, be exempt from the cash basis law of the State of Kansas. These funds meet the criteria under the statute, and are therefore, deemed to not be in violation of the Kansas cash basis law.

4. DEPOSITS AND INVESTMENTS

As of June 30, 2022, the District had the following investment and maturity:

Investment Type	Fair Value	Investment Maturity (in Years) Less than 1	Rating U.S.
Kansas Municipal Investment Pool	$ 10,978,528	10,978,528	N/A

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

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

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, 2022, the District held 100% of their investments in the Kansas Municipal Investment Pool.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2022.

4. DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2022, the District's carrying amount of deposits was $1,499,453 and the bank balance was $4,706,730. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $367,551 was covered by federal depository insurance, and $4,339,179 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial Credit Risk – Investments

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

At June 30, 2022, the District had invested $10,978,528 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Adult Basic Education	K.S.A. 72-5167	$ 19,250
General	Bilingual Education	K.S.A. 72-5167	95,000
General	Virtual Education	K.S.A. 72-5167	29,050
General	Professional Development	K.S.A. 72-5167	3,326
General	At Risk (K-12)	K.S.A. 72-5167	3,483,828
General	At Risk (4 year old)	K.S.A. 72-5167	80,322
General	Parent Education	K.S.A. 72-5167	1,700
General	Special Education	K.S.A. 72-5167	3,316,424
General	Career and Postsecondary Education	K.S.A. 72-5167	909,514
Supplemental General	Bilingual Education	K.S.A. 72-5143	146,348
Supplemental General	Professional Development	K.S.A. 72-6478	110,000
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	1,134,362
Supplemental General	At Risk (4 year old)	K.S.A. 72-5143	118,695
Supplemental General	Parent Education	K.S.A. 72-6478	20,000
Supplemental General	Special Education	K.S.A. 72-5143	2,210,956
Supplemental General	Career and Postsecondary Education	K.S.A. 72-5143	470,468
Supplemental General	Textbook and Material Revolving	K.S.A. 72-5143	105,256
Special Education	Special Education Cooperative	K.S.A. 72-978(h)	5,554,214

6. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2022, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions /Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
2012 Refunding	2.0%	12/01/2012	$ 9,885,000	09/01/2026	$ 8,585,000	-	165,000	8,420,000	170,050
2013 Refunding	2.0%	06/01/2013	9,845,000	09/01/2024	6,310,000	-	130,000	6,180,000	124,900
2014 Refunding	2.0-3.0%	12/01/2014	9,635,000	09/01/2022	7,235,000	-	3,565,000	3,670,000	150,206
					22,130,000	-	3,860,000	18,270,000	445,156
Capital Lease Payable									
Dell Financial Services	3.51%	08/09/2021	1,278,188	12/01/2025	-	1,278,188	297,994	980,194	-
Signature Public Funding	2.08%	01/19/2022	1,141,174	10/31/2031	-	1,141,174	1,141,174	-	7,636
Signature Public Funding	3.42%	06/30/2022	8,443,761	11/15/2037	-	8,443,761	-	8,443,761	-
					-	10,863,123	1,439,168	9,423,955	7,636
Total contractual indebtedness					$ 22,130,000	10,863,123	5,299,168	27,693,955	452,792

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

	Year Ending June 30								
Principal	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038	Total
General Obligation Bonds	$ 3,965,000	4,305,000	4,490,000	4,715,000	795,000	-	-	-	18,270,000
Capital lease payable	417,223	755,865	771,927	552,982	500,883	2,775,793	3,288,696	360,586	9,423,955
Total Principal	4,382,223	5,060,865	5,261,927	5,267,982	1,295,883	2,775,793	3,288,696	360,586	27,693,955
Interest									
General obligation bonds	344,100	243,050	155,100	63,050	7,950	-	-	-	813,250
Capital lease payable	278,359	283,374	279,684	252,180	232,621	891,727	378,825	6,166	2,602,936
Total interest	622,459	526,424	434,784	315,230	240,571	891,727	378,825	6,166	3,416,186
Total principal and interest	$ 5,004,682	5,587,289	5,696,711	5,583,212	1,536,454	3,667,520	3,667,521	366,752	31,110,141

7. OPERATING LEASES

The District entered into operating lease agreements for copiers, printers and a postage meter for a total of 63 months. Payments totaling $110,678, including overage charges, were made in the year ended June 30, 2022. Under the current lease agreements, the future scheduled minimum payments are as follows:

2023	$ 19,243
2024	10,435
2025	7,444
2026	5,390
2027	637

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of their applicable premium.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (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.

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2022, with a 0% moratorium for the period July 1, 2021 through June 30, 2022.

Compensated Absences

Classified employees on a 12-month contract who work at least 20 hours per week are credited with 9 days of sick leave after 60 days of continuous service. After the initial 60-day period, classified employees accrue sick leave monthly and may accumulate 130 days of total compensated leave.

Certified teaching staff is credited with 15 days of temporary chargeable leave (due to illness, bereavement, etc.) on the first day of their employment with the District. After the first year, the teacher receives 10 days of additional leave per year which may be accumulated to 120 days. No compensation is paid for unused leave upon termination.

Classified 12-month employees who work at least 20 hours per week receive 10 days of paid vacation per year during the first 5 years of service. The employee is credited with 5 days of paid vacation after the completion of 6 months of service, and then accrues 10/12 of a day's vacation for each month worked. After 5 years of service, the 12-month employee is credited with five additional days per year. Vacation time credited to an employee at July 1 of any year must be used by June 30 of the following year.

The District's liability for compensated absences at June 30, 2022, has not been recorded in this financial statement.

Early Retirement Pension Plan

The District provides an early retirement program for certain eligible employees. The plan defines those eligible as employees who are "currently employed in licensed employment or administrative employment with the District." Eligible retirees under this program may receive benefits for up to 12 years. Payments to retired employees under this plan for the years ended June 30, 2022 and 2021, were $543,540 and $609,859, respectively.

9. 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, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

9. DEFINED BENEFIT PENSION PLAN (Continued)

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program, with a 0% moratorium for the period July 1, 2021 through June 30, 2022) was 15.59% and 14.23% respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and statutory contribution rate was 14.83% and 13.33% for the fiscal year ended June 30, 2022.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of $19.4 million starting in fiscal year 2020.

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the KPERS School Group. A payment of $56 million was paid in fiscal year 2018. This bill also authorized a payment of $82 million in fiscal year 2019. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $3,964,771 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $30,299,645. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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, 2021. 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.

10. RISK MANAGEMENT

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

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Association of School Boards (KASB) Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to the KASB for its workers' compensation insurance coverage. The agreement to participate provides that the KASB fund will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $300,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KASB management. The District records a liability for estimated additional contributions that may be incurred due to adjustments made by the KASB. The cost of this workers' compensation coverage is charged to District funds based on actual payroll expenditures.

The District continues to carry commercial insurance for all other risks of loss, including liability, property, inland marine, linebacker, cyber security, and fleet coverage. There have been no significant reductions in insurance coverage from 2021 to 2022, and there were no settlements that exceeded insurance coverage in the past three fiscal years.

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

11. RELATED PARTY TRANSACTIONS

The District is the taxing authority for the Newton Recreation Commission (NRC), which operates recreational programs within the District. The District and the City of Newton each appoint two members of the recreation commission board. During the fiscal year ended June 30, 2022, the District levied a total tax of 9.278 mills for the Recreation Commission and Recreation Commission Employee Benefits Funds, which in turn is appropriated to NRC for its operations. The financial activity of NRC is not included in the accompanying financial statement.

12. CORONAVIRUS PANDEMIC

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for the fiscal year ended June 30, 2022.

As a result of the COVID-19 outbreak, numerous Federal and State grants have been made available to the District to assist with the risks and help offset incurred costs of the District.

13. SUBSEQUENT EVENT

In November 2022, local voters approved the District issuing general obligation bonds in an amount not to exceed $8,435,000 to renovate Lindley Hall and Santa Fe Middle School. The District is also eligible for additional state aid to help pay both the principal and interest on this bond issue.

14. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to June 30, 2022, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through December 8, 2022, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 373

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2022

Unified School District No. 373

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022

Funds	Certified Budget	Adjustment to to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUNDS						
General	$ 23,856,590	(536,823)	792,892	24,112,659	24,112,659	-
Supplemental General	7,386,778	(168,598)	-	7,218,180	7,218,180	-
SPECIAL PURPOSE FUNDS						
Adult Basic Education	49,000	-	-	49,000	19,250	(29,750)
Bilingual Education	520,625	-	-	520,625	241,348	(279,277)
Virtual Education	121,007	-	-	121,007	29,050	(91,957)
Professional Development	287,507	-	-	287,507	26,484	(261,023)
At Risk (K-12)	4,927,401	-	-	4,927,401	4,677,400	(250,001)
At Risk (4 year old)	404,356	-	-	404,356	219,017	(185,339)
Capital Outlay	2,607,700	-	1,187,809	3,795,509	3,740,405	(55,104)
Driver Training	56,621	-	-	56,621	3,516	(53,105)
Food Service	2,505,593	-	-	2,505,593	1,951,730	(553,863)
Parent Education	164,046	-	-	164,046	164,046	-
Summer School	73,309	-	-	73,309	10,632	(62,677)
Special Education	5,929,256	-	-	5,929,256	5,775,636	(153,620)
Special Education Cooperative	10,434,009	-	-	10,434,009	8,471,417	(1,962,592)
Career and Postsecondary Education	2,218,284	-	-	2,218,284	1,602,393	(615,891)
KPERS Employer Contribution	4,569,733	-	-	4,569,733	3,964,771	(604,962)
Recreation Commission	1,383,000	-	-	1,383,000	1,383,000	-
Recreation Commission Employee Benefits	410,000	-	-	410,000	410,000	-
BOND AND INTEREST FUND	4,305,156	-	-	4,305,156	4,305,156	-

Unified School District No. 373

General Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
GENERAL				
RECEIPTS				
General state aid	$ 19,974,881	20,003,343	20,694,202	(690,859)
Special education state aid	3,196,705	3,316,424	3,162,388	154,036
State aid reimbursements	124,208	159,881	-	159,881
Fees and other	518,217	632,726	-	632,726
Miscellaneous	6,844	285	-	285
Total Receipts	23,820,855	24,112,659	23,856,590	256,069
EXPENDITURES				
Instruction	8,802,215	8,558,493	8,869,123	(310,630)
Student support services	1,357,437	1,298,354	1,387,771	(89,417)
Instructional support staff	588,669	624,633	551,341	73,292
General administration	273,475	288,186	247,706	40,480
School administration	2,207,554	2,226,336	2,223,863	2,473
Other support services	55,337	81,886	48,285	33,601
Operations and maintenance	2,255,507	2,325,471	2,007,214	318,257
Student transportation	561,956	716,169	508,465	207,704
Community services	127,565	54,717	50,000	4,717
Transfer to				
Adult Basic Education	19,250	19,250	-	19,250
Bilingual Education	142,332	95,000	-	95,000
Virtual Education	35,082	29,050	-	29,050
Professional Development	75,000	3,326	-	3,326
At Risk (K-12)	498,290	3,483,828	3,284,317	199,511
At Risk (4 year old)	243,579	80,322	-	80,322
Parent Education	20,000	1,700	-	1,700
Special Education	5,315,177	3,316,424	3,595,388	(278,964)
Career and Postsecondary Education	1,199,489	909,514	1,040,117	(130,603)
Textbook and Material Revolving	42,941	-	43,000	(43,000)
	23,820,855	24,112,659	23,856,590	256,069
Adjustment to comply with legal max	-	-	(536,823)	536,823
Legal General Fund budget	23,820,855	24,112,659	23,319,767	792,892
Adjustment for qualifying budget credits	-	-	792,892	(792,892)
Total Expenditures	23,820,855	24,112,659	24,112,659	-
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Unified School District No. 373

General Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SUPPLEMENTAL GENERAL				
RECEIPTS				
Tax in process	$ 67,878	300,029	23,891	276,138
Current tax	2,204,900	2,057,338	2,368,631	(311,293)
Delinquent tax	47,663	20,936	47,328	(26,392)
Motor vehicle tax	328,922	311,997	307,295	4,702
Excise tax	1,319	1,053	-	1,053
State aid	4,420,045	4,515,693	4,621,168	(105,475)
Other	-	-	1,000	(1,000)
Total receipts	7,070,727	7,207,046	7,369,313	(162,267)
EXPENDITURES				
Instruction	69,521	83,998	71,281	12,717
Student support services	3,297	-	5,000	(5,000)
Instructional support staff	429,319	434,444	442,999	(8,555)
General administration	283,099	343,856	581,855	(237,999)
Other support services	621,971	627,160	679,244	(52,084)
Operations and maintenance	1,171,164	1,412,637	1,316,157	96,480
Transfer to				
Adult Basic Education	-	-	24,000	(24,000)
Bilingual Education	168,040	146,348	320,625	(174,277)
Virtual Education	-	-	36,007	(36,007)
Professional Development	-	110,000	170,170	(60,170)
At Risk (K-12)	3,937,051	1,134,362	1,288,084	(153,722)
At Risk (4 year old)	-	118,695	254,356	(135,661)
Parent Education	-	20,000	26,615	(6,615)
Summer School	-	-	4,831	(4,831)
Special Education	34,081	2,210,956	1,543,431	667,525
Career and Postsecondary Education	275,092	470,468	619,123	(148,655)
Textbook and Material Revolving	-	105,256	3,000	102,256
	6,992,635	7,218,180	7,386,778	(168,598)
Adjustment to comply with legal max	-	-	(168,598)	168,598
Total expenditures	6,992,635	7,218,180	7,218,180	-
Receipts over (under) expenditures	78,092	(11,134)		
UNENCUMBERED CASH, beginning	257,728	335,820		
UNENCUMBERED CASH, ending	$ 335,820	324,686		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
ADULT BASIC EDUCATION				
RECEIPTS				
Transfer from				
General	$ 19,250	19,250	-	19,250
Supplemental General	-	-	24,000	(24,000)
Total receipts	19,250	19,250	24,000	(4,750)
EXPENDITURES				
Instruction	19,250	19,250	40,000	(20,750)
Instruction staff support	-	-	9,000	(9,000)
Total expenditures	19,250	19,250	49,000	(29,750)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	25,000	25,000		
UNENCUMBERED CASH, ending	$ 25,000	25,000		
BILINGUAL EDUCATION				
RECEIPTS				
Other revenue from local source	$ -	-	100,000	(100,000)
Transfer from				
General	142,332	95,000	-	95,000
Supplemental General	168,040	146,348	320,625	(174,277)
Total receipts	310,372	241,348	420,625	(179,277)
EXPENDITURES				
Instruction	310,372	241,348	420,625	(179,277)
Student support services	-	-	100,000	(100,000)
Total expenditures	310,372	241,348	520,625	(279,277)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	100,000	100,000		
UNENCUMBERED CASH, ending	$ 100,000	100,000		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
VIRTUAL EDUCATION				
RECEIPTS				
Miscellaneous income	$ -	-	50,000	(50,000)
Transfer from				
General	35,082	29,050	-	29,050
Supplemental General	-	-	36,007	(36,007)
Total receipts	35,082	29,050	86,007	(56,957)
EXPENDITURES				
Instruction	34,963	29,050	120,932	(91,882)
Other	-	-	75	(75)
Total expenditures	34,963	29,050	121,007	(91,957)
Receipts over (under) expenditures	119	-		
UNENCUMBERED CASH, beginning	34,881	35,000		
UNENCUMBERED CASH, ending	$ 35,000	35,000		
PROFESSIONAL DEVELOPMENT				
RECEIPTS				
State aid	$ 5,000	-	-	-
Transfer from				
General	75,000	3,326	-	3,326
Supplemental General	-	40,555	170,170	(129,615)
Total receipts	80,000	43,881	170,170	(126,289)
EXPENDITURES				
Instructional staff support	150,923	18,988	212,507	(193,519)
School administration	11,740	7,496	25,000	(17,504)
Other support services	-	-	50,000	(50,000)
Total expenditures	162,663	26,484	287,507	(261,023)
Receipts over (under) expenditures	(82,663)	17,397		
UNENCUMBERED CASH, beginning	200,000	117,337		
UNENCUMBERED CASH, ending	$ 117,337	134,734		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
AT RISK (K-12)				
RECEIPTS				
Other local source	$ -	-	100,000	(100,000)
Miscellaneous	8,942	9,765	5,000	4,765
Transfer from				
General	498,290	3,483,828	3,284,317	199,511
Supplemental General	3,937,051	1,183,807	1,288,084	(104,277)
Total receipts	4,444,283	4,677,400	4,677,401	(1)
EXPENDITURES				
Instruction	4,200,532	4,423,101	4,672,173	(249,072)
Student support services	111,413	117,831	114,756	3,075
School administration	129,144	134,847	137,182	(2,335)
Student transportation services	3,194	1,621	3,290	(1,669)
Total expenditures	4,444,283	4,677,400	4,927,401	(250,001)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	250,000	250,000		
UNENCUMBERED CASH, ending	$ 250,000	250,000		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
AT RISK (4 Year Old)				
RECEIPTS				
Other local source	$ -	-	50,000	(50,000)
Transfer from				
General	243,579	80,322	-	80,322
Supplemental General	-	138,695	254,356	(115,661)
Total receipts	243,579	219,017	304,356	(85,339)
EXPENDITURES				
Instruction	171,995	173,978	231,161	(57,183)
Student support services	8,401	5,812	108,660	(102,848)
Instructional staff support	53	71	1,000	(929)
School administration	34,694	36,009	33,715	2,294
Student transportation	21,226	304	22,394	(22,090)
Other supplemental services	7,210	2,843	7,426	(4,583)
Total expenditures	243,579	219,017	404,356	(185,339)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	100,000	100,000		
UNENCUMBERED CASH, ending	$ 100,000	100,000		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
CAPITAL OUTLAY				
RECEIPTS				
Tax in process	$ 40,788	173,718	15,145	158,573
Current tax	1,305,280	1,226,250	1,266,415	(40,165)
Delinquent tax	26,163	11,589	28,012	(16,423)
Motor vehicle tax	182,955	181,403	178,946	2,457
Excise tax	719	607	-	607
Capital outlay state aid	790,364	801,586	802,063	(477)
Interest	1,683	8,130	1,700	6,430
Safety and security grant	-	151,471	-	151,471
Insurance proceeds	-	1,036,338	-	1,036,338
Other local source	1,208,694	85,868	46,000	39,868
Total receipts	3,556,646	3,676,960	2,338,281	1,338,679
EXPENDITURES				
Instruction	508,070	690,647	555,000	135,647
Instructional support services	173,408	249,689	355,000	(105,311)
Student support services	-	20,777	1,000	19,777
School administration	160,249	107,614	1,000	106,614
Operations and maintenance	125,577	823,149	128,000	695,149
Other support services	202,833	371,089	185,000	186,089
Transportation	127,328	144,405	130,000	14,405
Safety and security grant	124,931	465,667	-	465,667
Facilities acquisition and construction	2,407,191	867,368	1,252,700	(385,332)
	3,829,587	3,740,405	2,607,700	1,132,705
Adjustment for qualifying budget credits	-	-	1,187,809	(1,187,809)
Total expenditures	3,829,587	3,740,405	3,795,509	(55,104)
Receipts over (under) expenditures	(272,941)	(63,445)		
UNENCUMBERED CASH, beginning	1,525,612	1,252,671		
UNENCUMBERED CASH, ending	$ 1,252,671	1,189,226		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
DRIVER TRAINING				
RECEIPTS				
State aid	$ -	-	12,000	(12,000)
EXPENDITURES				
Instruction	-	-	43,121	(43,121)
Student support services	-	3,516	13,500	(9,984)
Total expenditures	-	3,516	56,621	(53,105)
Receipts over (under) expenditures	-	(3,516)		
UNENCUMBERED CASH, beginning	44,622	44,622		
UNENCUMBERED CASH, ending	$ 44,622	41,106		
FOOD SERVICE				
RECEIPTS				
Federal aid	$ 1,296,998	1,950,435	1,664,736	285,699
State aid	13,667	15,242	12,879	2,363
Meal sales	63,467	90,316	336,183	(245,867)
Other	31,085	39,650	-	39,650
Total receipts	1,405,217	2,095,643	2,013,798	81,845
EXPENDITURES				
Salaries and benefits	773,964	853,718	945,763	(92,045)
Food and supplies	442,623	773,930	1,080,052	(306,122)
Capital outlay and other	68,506	131,644	136,200	(4,556)
Operations and maintenance	23,802	72,804	343,578	(270,774)
Indirect expenditures	-	119,634	-	119,634
Total expenditures	1,308,895	1,951,730	2,505,593	(553,863)
Receipts over (under) expenditures	96,322	143,913		
UNENCUMBERED CASH, beginning	395,473	491,795		
UNENCUMBERED CASH, ending	$ 491,795	635,708		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
PARENT EDUCATION				
RECEIPTS				
Federal aid	$ -	19,361	-	19,361
State aid	84,427	84,268	84,250	18
Other district contributions	20,627	34,899	20,397	14,502
Transfer from				
General	20,000	1,700	-	1,700
Supplemental General	-	20,000	26,615	(6,615)
Total receipts	125,054	160,228	131,262	28,966
EXPENDITURES				
Instruction	122,418	158,613	159,246	(633)
Instructional staff support	1,740	3,433	2,000	1,433
School administration	2,500	2,000	2,800	(800)
Total Expenditures	126,658	164,046	164,046	-
Receipts over (under) expenditures	(1,604)	(3,818)		
UNENCUMBERED CASH, beginning	34,388	32,784		
UNENCUMBERED CASH, ending	$ 32,784	28,966		
SUMMER SCHOOL				
RECEIPTS				
Student fees	$ 9,895	11,545	9,000	2,545
Other	-	-	50,000	(50,000)
Transfer from General	-	-	4,831	(4,831)
Total receipts	9,895	11,545	63,831	(52,286)
EXPENDITURES				
Instruction	13,407	10,632	73,309	(62,677)
Receipts over (under) expenditures	(3,512)	913		
UNENCUMBERED CASH, beginning	12,990	9,478		
UNENCUMBERED CASH, ending	$ 9,478	10,391		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL EDUCATION				
RECEIPTS				
Medicaid	$ 100,407	187,520	75,000	112,520
ESSER II	-	13,858	86,198	(72,340)
Other	-	-	5,000	(5,000)
Transfer from				
General	5,315,177	3,316,424	3,595,388	(278,964)
Supplemental General	34,081	2,210,956	1,543,431	667,525
Total receipts	5,449,665	5,728,758	5,305,017	423,741
EXPENDITURES				
Transfer to				
Special Education Cooperative	5,430,421	5,554,214	5,431,000	123,214
Instruction	146,600	73,275	312,409	(239,134)
Student transportation services	1,794	8,647	-	8,647
Operations and maintenance	138,157	121,553	146,780	(25,227)
Other transportation services	35,880	17,947	39,067	(21,120)
Total expenditures	5,752,852	5,775,636	5,929,256	(153,620)
Receipts over (under) expenditures	(303,187)	(46,878)		
UNENCUMBERED CASH, beginning	927,927	624,740		
UNENCUMBERED CASH, ending	$ 624,740	577,862		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL EDUCATION COOPERATIVE				
RECEIPTS				
Federal aid	$ 1,077,791	973,812	1,049,919	(76,107)
Federal aid - ESSER I	11,151	48,983	-	48,983
Medicaid reimbursements	340,119	202,973	340,119	(137,146)
Transfer from Special Education	5,430,421	5,554,214	7,468,615	(1,914,401)
Other District contributions	2,181,451	2,225,869	-	2,225,869
Other income	20,740	21,649	54,691	(33,042)
Total receipts	9,061,673	9,027,500	8,913,344	114,156
EXPENDITURES				
Instruction	6,142,024	6,332,760	7,319,123	(986,363)
Student support services	1,560,881	1,729,334	1,802,023	(72,689)
Instructional staff support	28,328	10,388	186,740	(176,352)
General administration	329,579	334,184	548,486	(214,302)
School administration	21,051	23,152	202,637	(179,485)
Operation and maintenance	16,286	14,195	200,000	(185,805)
Student transportation	29,402	2,404	125,000	(122,596)
Other supplemental services	25,000	25,000	50,000	(25,000)
Total expenditures	8,152,551	8,471,417	10,434,009	(1,962,592)
Receipts over (under) expenditures	909,122	556,083		
UNENCUMBERED CASH, beginning	611,544	1,520,666		
UNENCUMBERED CASH, ending	$ 1,520,666	2,076,749		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
CAREER AND POSTSECONDARY EDUCATION				
RECEIPTS				
Tuition	$ 28,507	83,514	75,000	8,514
Federal vocational grant	22,604	27,290	29,969	(2,679)
Other local sources	1,019	221	100,000	(99,779)
Miscellaneous	4,548	-	100,000	(100,000)
Transfer from				
General	1,199,489	909,514	1,040,117	(130,603)
Supplemental General	275,092	470,468	619,123	(148,655)
Total receipts	1,531,259	1,491,007	1,964,209	(473,202)
EXPENDITURES				
Instruction	1,348,664	1,398,268	1,579,577	(181,309)
Student support services	860	1,895	51,000	(49,105)
Instructional staff support	41,996	51,987	93,101	(41,114)
School administration	100,107	104,564	203,078	(98,514)
General administration	8,279	6,355	108,528	(102,173)
Operations and maintenance	32,946	39,324	83,000	(43,676)
Student transportation	-	-	100,000	(100,000)
Total expenditures	1,532,852	1,602,393	2,218,284	(615,891)
Receipts over (under) expenditures	(1,593)	(111,386)		
UNENCUMBERED CASH, beginning	255,668	254,075		
UNENCUMBERED CASH, ending	$ 254,075	142,689		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
KPERS EMPLOYER CONTRIBUTION				
RECEIPTS				
State aid	$ 3,846,576	3,964,771	4,569,733	(604,962)
EXPENDITURES				
Instruction	2,504,121	2,573,929	2,800,000	(226,071)
Student support services	367,348	405,993	500,000	(94,007)
Instructional support services	128,091	131,234	199,933	(68,699)
General administration	87,317	95,947	150,000	(54,053)
School administration	275,415	294,979	290,000	4,979
Other supplemental services	81,163	84,450	105,800	(21,350)
Operations and maintenance	196,175	193,481	250,000	(56,519)
Student transportation services	89,241	80,881	118,000	(37,119)
Food service operations	101,165	103,877	156,000	(52,123)
Community service operations	16,540	-	-	-
Total expenditures	3,846,576	3,964,771	4,569,733	(604,962)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECREATION COMMISSION				
RECEIPTS				
Tax in process	$ 29,906	134,844	10,999	123,845
Current tax	1,018,900	1,114,319	1,136,402	(22,083)
Delinquent tax	22,343	9,890	21,874	(11,984)
Motor vehicle tax	162,555	139,920	137,590	2,330
Excise tax	690	464	-	464
Total receipts	1,234,394	1,399,437	1,306,865	92,572
EXPENDITURES				
Appropriation to Recreation Commission	1,237,000	1,383,000	1,383,000	-
Receipts over (under) expenditures	(2,606)	16,437		
UNENCUMBERED CASH, beginning	79,374	76,768		
UNENCUMBERED CASH, ending	$ 76,768	93,205		
RECREATION COMMISSION EMPLOYEE BENEFITS				
RECEIPTS				
Tax in process	$ 9,548	42,742	4,262	38,480
Current tax	329,555	323,999	332,336	(8,337)
Delinquent tax	6,038	2,716	7,073	(4,357)
Motor vehicle tax	40,735	44,844	44,066	778
Excise tax	151	148	-	148
Total receipts	386,027	414,449	387,737	26,712
EXPENDITURES				
Appropriation to Recreation Commission	385,000	410,000	410,000	-
Receipts over (under) expenditures	1,027	4,449		
UNENCUMBERED CASH, beginning	21,395	22,422		
UNENCUMBERED CASH, ending	$ 22,422	26,871		

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021	2022
CONTINGENCY RESERVE		
RECEIPTS		
Other income	$ 20,126	-
EXPENDITURES		
Instruction	18,884	-
School administration	31,035	-
Operations and maintenance	105,918	-
Total expenditures	155,837	-
Receipts over (under) expenditures	(135,711)	-
UNENCUMBERED CASH, beginning	1,004,107	868,396
UNENCUMBERED CASH, ending	$ 868,396	868,396
TEXTBOOK AND MATERIAL REVOLVING		
RECEIPTS		
Fees and other	$ 166,906	107,842
Transfer from		
General	42,941	-
Supplemental General	-	105,256
Total receipts	209,847	213,098
EXPENDITURES		
Instruction	161,583	287,174
Receipts over (under) expenditures	48,264	(74,076)
UNENCUMBERED CASH, beginning	169,916	218,180
UNENCUMBERED CASH, ending	$ 218,180	144,104
EMPLOYER FIXED CHARGES		
RECEIPTS		
Other income	$ 148,877	132,105
EXPENDITURES		
Workers Compensation Insurance	-	38,673
Receipts over (under) expenditures	148,877	93,432
UNENCUMBERED CASH, beginning	-	148,877
UNENCUMBERED CASH, ending	$ 148,877	242,309

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021	2022
FEDERAL AND STATE GRANT PROGRAMS		
HEAD START		
RECEIPTS		
Federal aid	$ 1,157,184	1,102,899
EXPENDITURES		
Instruction	707,432	749,416
Student support services	165,912	146,376
Instructional support	3,770	6,398
School administration	96,154	96,505
Other support services	37,975	14,982
Student transportation	108,191	43,181
Food service	37,750	46,041
Total expenditures	1,157,184	1,102,899
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES (TITLE I)		
RECEIPTS		
Federal aid	$ 605,747	634,668
EXPENDITURES		
Instruction	579,154	687,537
Instructional support	29,158	3,431
Total expenditures	608,312	690,968
Receipts over (under) expenditures	(2,565)	(56,300)
UNENCUMBERED CASH, beginning	(10,396)	(12,961)
UNENCUMBERED CASH, ending	$ (12,961)	(69,261)

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021	2022
FEDERAL AND STATE GRANT PROGRAMS		
SUPPORTING EFFECTIVE INSTRUCTION (TITLE II)		
RECEIPTS		
Federal aid	$ 136,620	96,857
Transfer from Title IV	19,451	-
Total receipts	156,071	96,857
EXPENDITURES		
Instruction	67,750	2,413
Instructional support	61,224	143,037
Total expenditures	128,974	145,450
Receipts over (under) expenditures	27,097	(48,593)
UNENCUMBERED CASH, beginning	(11,332)	15,765
UNENCUMBERED CASH, ending	$ 15,765	(32,828)
ENGLISH LANGUAGE ACQUISITION (TITLE III)		
RECEIPTS		
Federal aid	$ 16,737	9,816
EXPENDITURES		
Instruction	14,022	17,832
Receipts over (under) expenditures	2,715	(8,016)
UNENCUMBERED CASH, beginning	449	3,164
UNENCUMBERED CASH, ending	$ 3,164	(4,852)

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021	2022
FEDERAL AND STATE GRANT PROGRAMS		
STUDENT SUPPORT & ACADEMIC ENRICHMENT		
PROGRAM (TITLE IV)		
RECEIPTS		
Federal aid	$ 35,953	44,138
EXPENDITURES		
Instruction	15,098	40,519
Instructional support	-	3,070
Transfer to Supporting Effective Instruction	19,451	-
Total expenditures	34,549	43,589
Receipts over (under) expenditures	1,404	549
UNENCUMBERED CASH, beginning	(1,953)	(549)
UNENCUMBERED CASH, ending	$ (549)	-
ELEMENTARY SECONDARY SCHOOL		
EMERGENCY RELIEF (ESSER I)		
RECEIPTS		
Federal aid	$ 274,478	21,886
EXPENDITURES		
Instruction	93,864	-
Student support services	1,489	-
Instructional support	77	-
General administration	7,966	-
School administration	1,885	-
Operations and maintenance	147,578	-
Food service	40,623	-
Total expenditures	293,482	-
Receipts over (under) expenditures	(19,004)	21,886
UNENCUMBERED CASH, beginning	(2,882)	(21,886)
UNENCUMBERED CASH, ending	$ (21,886)	-

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021	2022
FEDERAL AND STATE GRANT PROGRAMS		
ELEMENTARY SECONDARY SCHOOL		
EMERGENCY RELIEF (ESSER II)		
RECEIPTS		
Federal aid	$ -	991,173
EXPENDITURES		
Instruction	-	765,226
Student support services	-	8,191
Instructional support	-	272,800
School administration	-	56,007
Operations and maintenance	-	10,721
Total expenditures	-	1,112,945
Receipts over (under) expenditures	-	(121,772)
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	(121,772)
KDHE COVID TESTING GRANT		
RECEIPTS		
Federal aid	$ -	115,210
EXPENDITURES		
Other support services	-	115,210
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-

Unified School District No. 373

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021	2022
FEDERAL AND STATE GRANT PROGRAMS		
AFTER SCHOOL ENHANCEMENT		
RECEIPTS		
State aid	$ 11,255	-
EXPENDITURES		
Instruction	11,255	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
STRENGTHENING PEOPLE AND REVITALIZING KANSAS		
RECEIPTS		
Federal aid	$ 895,144	-
EXPENDITURES		
Instruction	92,700	-
Instructional support	110,745	-
Operations and maintenance	691,699	-
Total expenditures	895,144	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-

Unified School District No. 373

Bond and Interest Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
BOND AND INTEREST				
RECEIPTS				
Tax in process	$ 54,668	243,885	21,218	222,667
Current tax	1,836,067	1,821,803	1,872,957	(51,154)
Delinquent tax	37,636	16,661	39,411	(22,750)
Motor vehicle tax	264,642	254,318	250,248	4,070
Excise tax	1,061	848	-	848
State aid	2,343,790	2,410,887	2,410,887	-
Transfer from Bond Issuance	2,445	-	-	-
Total receipts	4,540,309	4,748,402	4,594,721	153,681
EXPENDITURES				
Principal	3,560,000	3,860,000	3,860,000	-
Interest	551,912	445,156	445,156	-
Total expenditures	4,111,912	4,305,156	4,305,156	-
Receipts over (under) expenditures	428,397	443,246		
UNENCUMBERED CASH, beginning	4,476,924	4,905,321		
UNENCUMBERED CASH, ending	$ 4,905,321	5,348,567		

Unified School District No. 373

Bond and Interest Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
Regulatory Basis

For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021	2022
BOND REDEMPTION		
RECEIPTS	$ -	-
EXPENDITURES		
Transfer to Bond and Interest	2,445	-
Receipts over (under) expenditures	(2,445)	-
UNENCUMBERED CASH, beginning	2,445	-
UNENCUMBERED CASH, ending	$ -	-

Unified School District No. 373

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2022

STUDENT ORGANIZATIONS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Newton High School				
Class of 2023	$ 1,470	8,020	6,355	3,135
AD Food Club-Food 4 Life	3,133	-	-	3,133
Art Club	683	1,308	1,308	683
Auto Mechanics	101	2,563	800	1,864
Auto Mechanics VICA	2,794	(198)	693	1,903
Azteca	302	-	262	40
Azteca Dance Troupe	724	(658)	-	66
Broadcasting	440	-	339	101
Brothers & Sisters For Life	31	-	-	31
BTC Weld VICA	1,594	1,785	2,354	1,025
Business Professionals of America	3,511	7,313	9,582	1,242
BPA Printing-Railer Ink	267	-	-	267
BPA Train Stop Store	402	-	-	402
Cheerleaders Special	4,195	26,627	28,109	2,713
Chemistry/Physics	489	-	86	403
Circle of Friends	-	6,233	4,087	2,146
CTE Scholarships	500	-	-	500
Debate	2,729	387	2,133	983
E Sports	199	1,466	-	1,665
D.E.C.A.	5,988	2,798	107	8,679
EPC Greenhouse	483	-	-	483
ELP Contests	174	-	-	174
F.C.A.	214	-	-	214
F.E.A.	131	-	-	131
F.F.A.	14,829	50,689	55,546	9,972
F.F.A. Vending	607	1,072	394	1,285
F.F.A. Ag Academy	2,572	-	1,594	978
F.C.C.L.A.	69	87	-	156
Forensics	-	2,443	2,062	381
French Club	-	210	-	210
French Club Honor Society	-	210	116	94
German Club	61	2,526	2,479	108
German Club Honor Society	111	269	380	-
G.S.A.	117	-	-	117
Hall of Fame	6,091	-	6,091	-

Unified School District No. 373

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2022

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
STUDENT ORGANIZATIONS (Continued)				
HIRE-Helping Individual Reach	$ 45	-	-	45
Hobby Club	323	-	-	323
H.O.S.A.	13	1,203	582	634
Job for Americas' Graduates	37	-	-	37
Jazz Club	1,913	1,519	1,923	1,509
Laser Works-Markit	2,384	180	1,457	1,107
Law Enforcement (LERO)	1,709	-	-	1,709
M & M Railer Embroidery	278	500	88	690
Model U.N.	74	-	-	74
Multi-Racial Students Racial Justice	1,366	668	620	1,414
National Honor Society	1,630	4,088	3,417	2,301
Nutrition Advisory Council	48	-	-	48
OFACS	4	-	-	4
Project Lead the Way	2,560	352	1,227	1,685
Railer Ambassadors	978	-	1	977
Railer Designs	105	-	-	105
Railiners Special	2,199	10,379	8,871	3,707
Railrooters/Do Crew Pep Club	1,428	-	60	1,368
Rotary Interact Club	1,113	-	-	1,113
Scholars Bowl	1,646	3,605	2,660	2,591
SOSO-Student Owned Student	27	-	-	27
Spanish Club	291	-	164	127
Spanish Club Honor Society	(89)	339	240	10
Student Council	7,461	5,239	9,155	3,545
Student Athlete Letter Jacket/PFP	94	-	-	94
Thespians	1,430	5,973	7,379	24
Tri-M Society	-	284	203	81
V.I.C.A. Machine	1,082	963	255	1,790
WE	361	29,127	27,325	2,163
We Can	296	562	501	357
Young Entrepreneurs of Kansas	407	400	654	153
Weight Room Equipment	170	-	-	170
	86,394	180,531	191,659	75,266

Unified School District No. 373

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2022

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
STUDENT ORGANIZATIONS (Continued)				
Santa Fe Middle School				
Book fair	$ 39	2,098	2,098	39
Yearbook	2	-	-	2
Walmart grant	584	-	-	584
	625	2,098	2,098	625
Chisholm Middle School				
Book fair	12	755	754	13
Yearbook	2,575	3,260	3,598	2,237
Student Council	4,270	2,678	1,916	5,032
Social	200	103	299	4
	7,057	6,796	6,567	7,286
Total Student Organizations	94,076	189,425	200,324	83,177
High School Activity Sales Tax	-	22,761	22,561	200
Pension Trust	3,540	543,540	543,824	3,256
Gift Funds	400,238	135,047	139,074	396,211
Total Agency Funds	$ 497,854	890,773	905,783	482,844

Unified School District No. 373

District Activity Funds

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
ACTIVITY GATE RECEIPTS						
Newton High School	$ 60,638	386,384	381,910	65,112	-	65,112
SCHOOL PROJECTS						
Santa Fe Middle School						
Miscellaneous	$ 3,288	6	1,123	2,171	-	2,171
Chisholm Middle School						
Pencil Machine	268	72	-	340	-	340
Pride Squad	308	-	-	308	-	308
Concessions	1,247	2,678	2,751	1,174	-	1,174
Miscellaneous	204	1,378	1,358	224	-	224
Newton High School						
Fund Raising	107	2,165	1,018	1,254	-	1,254
Staff Issues	-	20,757	19,843	914	-	914
American Red Cross Donations	11	200	11	200	-	200
Art Booster	940	500	-	1,440	-	1,440
Band Booster	1,383	1,000	1,125	1,258	-	1,258
Drama Booster	600	500	90	1,010	-	1,010
Orchestra Booster	888	500	15	1,373	-	1,373
Vocal Booster	893	500	-	1,393	-	1,393
Concessions	1,504	50,228	46,140	5,592	-	5,592
Faculty Flower	187	404	456	135	-	135
FABC Supplemental	969	-	-	969	-	969
Railer Boxcart	-	5,250	-	5,250	-	5,250
State Assessment	224	-	-	224	-	224
Milk Vending	3,588	-	2,588	1,000	-	1,000
Vocal Vending	1	-	-	1	-	1
Wrestling Vending	646	15,615	12,992	3,269	-	3,269
Fine Arts Technology Special	237	-	-	237	-	237
Special Revolving Accounts	(9,781)	9,698	12,600	(12,683)	-	(12,683)
Total school projects	$ 7,712	111,451	102,110	17,053	-	17,053

UNIFIED SCHOOL DISTRICT NO. 373

OTHER SUPPLEMENTARY INFORMATION

SINGLE AUDIT SECTION

FOR THE YEAR ENDED JUNE 30, 2022

Knudsen Monroe & Company LLC

512 N. Main St, Newton, Kansas 67114-2229 316 283-5366 • 316 283-8379 Fax

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

Board of Education
Unified School District No. 373
Newton, Kansas

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, and the *Kansas Municipal Audit and Accounting Guide*, the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 373, Newton Kansas (District), as of and for the year ended June 30, 2022, and the related disclosures to the financial statement, and have issued our report thereon dated December 8, 2022. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that have not been identified.

Report on 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 financial statement. 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 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.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 8, 2022

Knudsen Monroe & Company LLC

512 N. Main St, Newton, Kansas 67114-2229 316 283-5366 • 316 283-8379 Fax

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

Board of Education
Unified School District No. 373
Newton, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 373, Newton, Kansas' (District) compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material

noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 8, 2022

Unified School District No. 373

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture			
Passed through Kansas Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	D0373	$ 287,184
COVID-19 National School Lunch Program	10.555	D0373	1,521,994
COVID-19 Summer Food Service Program for Children	10.559	D0373	138,194
Total Child Nutrition Cluster			1,947,372
Pandemic Electronic Benefit Transfer (EBT)	10.649	D0373	3,063
Total U.S. Department of Agriculture			**1,950,435**
U.S. Department of Education			
Passed through Kansas Department of Education			
Special Education Cluster (IDEA)			
COVID-19 Special Education, Grants to States, IDEA Part B	84.027X	D0373	24,078
Special Education, Grants to States, IDEA Part B	84.027	D0373	814,194
Total for program			838,272
COVID-19 Special Education, Preschool Grants	84.173X	D0373	1,142
Special Education, Preschool Grants	84.173	D0373	31,845
Total for program			32,987
Total Special Education Cluster (IDEA)			871,259
Career and Technical Education - Carl Perkins Vocational Education	84.048	D0373	31,586
Grants to Local Educational Agencies, Title I	84.010	D0373	690,968
Supporting Effective Instruction, Title II	84.367	D0373	145,450
English Language Acquisition, Title III	84.365	D0373	17,832
Student Support Academic Enrichment, Title IV	84.424A	D0373	43,589
COVID-19 Elementary and Secondary School Emergency Relief Fund II	84.425D	D0373	1,112,945
Passed through Kansas Department of Health & Environment:			
Grants for Infant & Families	84.181	D0373	102,553
Total U.S. Department of Education			**3,016,182**
U.S. Department of Justice			
Public Safety Partnership and Community Policing Grants	16.710		151,471
Total U.S. Department of Justice			**151,471**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Unified School District No. 373

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Health and Human Services			
Head Start	93.600		1,102,899
Temporary Assistance for Needy Families	93.558	D0373	9,750
Youth Risk Behavior Survey	93.079	D0373	2,247
ESSA/Preschool Development Grants Birth-5	93.434	D0373	19,361
Passed through Kansas Department of Health & Environment:			
Epidemiology and Laboratory Capacity for Infectious Diseases			
K-12 COVID Testing Grant	93.323	D0373	115,210
Total U.S. Department of Health and Human Services			**1,249,467**
Total Expenditures of Federal Awards			**$ 6,367,555**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Unified School District No. 373

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Unified School District No. 373, Newton, Kansas (District) under programs of the federal government for the year ended June 30, 2022. 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). 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. The Schedule is presented using a regulatory basis of accounting prescribed by the *Kansas Municipal Audit and Accounting Guide* (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting described in Note 1 to the District's financial statement. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

C. INDIRECT COST RATE

The District elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance in the Child Nutrition Cluster.

Unified School District No. 373

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified (Regulatory Basis) Adverse - GAAP
Internal control over financial reporting:	
Material weakness(es) identified?	___ Yes _X_ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ Yes _X_ None reported
Noncompliance material to financial statement noted?	___ Yes _X_ No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	___ Yes _X_ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	___ Yes _X_ None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ Yes _X_ No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.553, 10.555, 10.559	Child Nutrition Cluster
84.425D	COVID-19 Elementary and Secondary School Emergency Relief Fund II

Dollar threshhold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	___ Yes _X_ No

Section II - Financial Statement Findings

There were no reportable findings.

Section III - Federal Award Findings and Questioned Costs

There were no reportable findings.