UNIFIED SCHOOL DISTRICT NO. 115

Seneca, Kansas

FINANCIAL STATEMENT

WITH

INDEPENDENT AUDITOR'S REPORT

June 30, 2024

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
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December 2, 2024

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 115
Seneca, Kansas

Independent Auditor's Report

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. 115 (the District), as of and for the year ended June 30, 2024 and the related notes 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, 2024, 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, 2024, 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* (KMAAG) 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) KMAAG, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 audits. 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 the 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 KMAAG, 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 the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 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 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.

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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 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, 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 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. 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 accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Supplementary 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 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.

Other Reporting Required by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated December 2, 2024 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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS						
General Funds:						
General Fund	$ -	$ 6,349,254	$ 6,349,254	$ -	$ 331	$ 331
Supplemental General Fund	81,988	2,108,873	2,096,182	94,679	187,165	281,844
Special Purpose Funds						
Preschool-Aged At-Risk	23,607	90,000	86,950	26,657	-	26,657
At-Risk (K-12)	138,710	572,974	572,461	139,223	16,535	155,758
Bilingual Education	-	3,365	3,365	-	-	-
Capital Outlay	410,828	259,215	141,083	528,960	26,302	555,262
Driver Training	70,894	19,293	21,761	68,426	-	68,426
Food Service	160,675	533,396	521,957	172,114	-	172,114
Professional Development	19,261	7,928	7,665	19,524	-	19,524
Summer School	17,461	-	-	17,461	-	17,461
Special Education	173,129	1,070,034	1,067,780	175,383	-	175,383
Career and Postsecondary Education	105,087	303,394	246,551	161,930	648	162,578
KPERS Special Retirement Contribution	-	833,698	833,698	-	-	-
Special Education Cooperative	554,292	2,323,548	2,302,511	575,329	302	575,631
Textbook and Student Materials Revolving	13,975	47,968	46,200	15,743	7,647	23,390
Contingency Reserve	355,814	112,645	154,851	313,608	-	313,608
Title I	-	80,189	80,189	-	-	-
Title II	-	29,251	29,251	-	-	-
Title IV	-	14,275	14,275	-	-	-
Gifts and Grants	46,707	53,128	66,859	32,976	28,484	61,460
ESSER III	-	235,763	236,095	(332)	8,521	8,189
Carl Perkins	-	48,578	48,578	-	-	-
Gate Receipts	26,996	98,375	79,686	45,685	-	45,685
School Projects	57,167	401,351	387,484	71,034	-	71,034
Bond and Interest Funds						
Bond and Interest #1	-	1,733,757	1,186,541	547,216	-	547,216
Bond and Interest #2	671,283	492,106	425,600	737,789	-	737,789
Capital Project Fund						
Construction	25,120,413	2,054,264	10,994,486	16,180,191	692,262	16,872,453
Total Primary Government	$ 28,048,287	$ 19,876,622	$ 28,001,313	$ 19,923,596	$ 968,197	$ 20,891,793

(Continued)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended June 30, 2024

Composition of Cash	
Checking and money market accounts	$ 3,172,029
Certificate of deposits	1,004,549
Investments	16,849,075
Total District Cash and Investments	$ 21,025,653
Less: Agency Funds per Statement 3	(133,860)
Total Reporting Entity	$ 20,891,793

STATEMENT 1 (CONTINUED)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

Note 1: Summary of Significant Accounting Policies

Unified School District No. 115 (the District) is a municipal corporation governed by an elected seven member board. The District as an entity has been defined to include, on a combined basis, (a) the District (b) organizations for which the District is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete.

Discretely presented component unit - The component unit section of this financial statement includes the financial data of the discretely presented component unit. This component unit is reported separately to emphasize that it is legally separate from the District. The governing body of this component unit is appointed by the District.

Recreation Commission - The Recreation Commission oversees recreational activities: The Recreation commission operates a separate governing body but the District levies the taxes for the Recreation Commission and the Recreation commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property, but can acquire real property by gift. The accounting policies of the Recreation Commission are the same as those of the District.

Basis of Presentation

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 balances 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 revenues 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 statutory basis of accounting.

Fund Descriptions

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

The following types of funds comprise the financial activities of the District:

Governmental Funds

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

Special Purpose Funds are 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.

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

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

Trust Fund funds 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 is used to report assets held by the District reporting entity in a purely custodial capacity (payroll clearing fund; activity accounts, etc.).

Note 1: Summary of Significant Accounting Policies (Continued)

Reimbursed Expenses

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 comparisons, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis accounting.

Budgetary Information

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

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

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 did hold a revenue neutral hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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 amendments 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

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

Textbook and Student Material Revolving
Contingency Reserve

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

Note 2: Deposits and Investments

As of June 30, 2024, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturity Less than 1 Year	More than 1 Year	Rating U.S.
Security Bank of Kansas City	$ 16,849,075	$ 16,849,075	$ -	S&P AAAf/S1+

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 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 limits its investment choices.

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

Custodial credit risk-deposits - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not utilize peak periods. All deposits were legally secured at June 30, 2024.

At June 30, 2024, the District's carrying amount of deposits was $4,176,578 and the bank balance was $4,848,971. The bank balance was held by two banks, resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by the federal depository insurance, and the remaining balance was collateralized with bank pledged securities held by a third party bank.

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 position of an outside party. State statues require investments to be adequately secured.

Note 3: 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 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Note 3: 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) was 13.88% and 13.11%, respectively, for the fiscal year ended June 30, 2023. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57% for the fiscal year ended June 30, 2024.

The 2015 Legislature passed and the Governor approved Senate Bill 228 authorizing the issuance of $1.0 billion in pension obligation bonds to fund a portion of the School -Group's unfunded actuarial liability. The bonds were successfully issued in August 2015 and the proceeds transferred to the System.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue pension obligation bonds, series 2021K, net proceeds of $500 million to fund a portion of the School-Group's unfunded actuarial liability. The bond proceeds were received by KPERS on August 26, 2021.

The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million paid off outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019 while the remaining $871.1 million was applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred in May/June 2022.

In addition, Senate Bill 421 authorizes two additional transfers in Fiscal Year 2023 which totaled $271.1 million. The first transfer of $146.1 million was received on August 1, 2022. The second transfer of $125 million was received on December 1, 2022.

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 $833,698 for the year ended June 30, 2024.

Note 3: Defined Benefit Pension Plan (Continued)

Net Pension Liability

At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $7,497,826. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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, 2022. 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 previously.

Note 4: Interfund Transfers

From	To	Statutory Authority	Amount
General	At-Risk Fund (K-12)	K.S.A. 72-5167	$ 429,322
General	Special Education	K.S.A. 72-5167	598,593
General	Capital Outlay	K.S.A. 72-5167	79,286
General	Career and Postsecondary	K.S.A. 72-5167	303,394
General	Food Service	K.S.A. 72-5167	2,500
General	Professional Development	K.S.A. 72-5167	7,000
General	Textbook and Student Materials	K.S.A. 72-5167	807
General	Contingency Reserve	K.S.A. 72-5167	112,645
Supplemental General	Bilingual Education	K.S.A. 72-5143	3,365
Supplemental General	At-Risk Fund (K-12)	K.S.A. 72-5143	143,652
Supplemental General	Preschool-Aged At Risk	K.S.A. 72-5143	90,000
Supplemental General	Food Service	K.S.A. 72-5143	65,046
Supplemental General	Special Education	K.S.A. 72-5143	471,441
Title IVA	Title IIA	Section 5103(b)	10,929
Contingency Reserve	Supplemental General	K.S.A. 72-5165	112,645
Special Education	Special Education Cooperative	K.S.A. 72-3422	1,064,791
			$ 3,495,416

Note 5: 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 plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the 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.

Note 5: Other Long-Term Obligations from Operations (Continued)

Fringe Benefits

Each teacher shall be entitled once annually to elect to have a portion of the teacher's salary set aside on a Plan 125 not to exceed, $10,000. The plan may pay for group health insurance or the following programs: term life insurance up to $50,000, salary protection insurance, child care, and supplemental medical insurance such as dental, vision, and cancer. The District will participate in the State of Kansas Employee Healthcare Program for school districts for as long as the District meets the requirements to participate. If for some reason the District does not meet the participation enrollment requirements all new employees will be required to enroll in the District health insurance. If the District no longer qualifies to participate in the state health insurance program, the District will contribute a matching amount to a new health insurance plan.

Compensated Absences

The District's policies regarding vacation and sick leave are: Professional employees are granted 11 days of sick leave, 4 days personal leave, and one day professional leave. Sick days can accumulate up to 60 days and personal leave days can accumulate up to 5 days. Sick Leave pool is available for professional employees to voluntarily contribute one day of their own available sick leave. Sick leave pool will not exceed 125 days; the superintendent is allowed 20 sick days accumulative to 85, 10 days vacation accumulative to 15, and 4 personal days; the principals are allowed 13 sick days accumulative to 85 and 3 personal days accumulative to 5; employees who have a twelve month contract are allowed 12 sick days accumulative to 60, 10 days of vacation, and 3 personal days accumulative to 4. Nine month employees have 9 sick leave days accumulative to 30 and 2 personal days accumulative to 3 days per year.

Liability for compensated absences is not reflected in the financial statement.

Termination Benefits

The Negotiated Agreement for the 2024 fiscal year provided that professional employees would be compensated $1,500 if the notification to resign or retire was received by December 1 of the contract year. The professional employee must have been contracted with USD #115 for five years or more. The amount of termination benefits paid to employees was $0 for the year ended June 30, 2024.

Note 6: Risk Management

The District is exposed to various risk of loss related to torts; theft of damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 7: Stewardship, Compliance and Accountability

We noted no violations of Kansas statutes during the period under examination.

Note 8: Subsequent Events

Subsequent events for management's review have been evaluated through December 2, 2024, the date the financial statement is available to be issued.

Note 9: Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures To Date
School Building Improvements	$ 25,960,333	$ 11,834,405

Note 10: Long-Term Debt

Changes in long-term liabilities for the District for the year were as follows:

	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Changes	Balance End of Year	Interest Paid
General Obligation Bonds										
Series 2015	3.00%	9/1/2015	$ 4,300,000	6/1/2029	$ 2,695,000	$ -	$ 350,000	$ (350,000)	$ 2,345,000	$ 75,600
Series 2023	5.00%	2/15/2023	24,220,000	9/1/2048	24,220,000	-	-	-	24,220,000	1,186,541
Total Long-Term Debt					$ 26,915,000	$ -	$ 350,000	$ (350,000)	$ 26,565,000	$ 1,262,141

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

	2025	2026	2027	2028	2029	2030-2034	2035-2039	2040-2044	2045-2049	Total
Principal										
General Obligation Bonds										
Series 2015	$ 360,000	$ 375,000	$ 385,000	$ 395,000	$ 410,000	$ 420,000	$ -	$ -	$ -	$ 2,345,000
Series 2023	-	545,000	575,000	605,000	635,000	3,680,000	4,690,000	5,995,000	7,495,000	24,220,000
Total Principal	$ 360,000	$ 920,000	$ 960,000	$ 1,000,000	$ 1,045,000	$ 4,100,000	$ 4,690,000	$ 5,995,000	$ 7,495,000	$ 26,565,000
Interest										
General Obligation Bonds										
Series 2015	$ 64,950	$ 53,925	$ 42,525	$ 30,825	$ 18,750	$ 6,300	$ -	$ -	$ -	$ 217,275
Series 2023	1,136,050	1,122,425	1,094,425	1,064,925	1,033,925	4,648,250	3,606,750	2,277,625	772,900	16,757,275
Total Interest	$ 1,201,000	$ 1,176,350	$ 1,136,950	$ 1,095,750	$ 1,052,675	$ 4,654,550	$ 3,606,750	$ 2,277,625	$ 772,900	$ 16,974,550
Total Principal and Interest	$ 1,561,000	$ 2,096,350	$ 2,096,950	$ 2,095,750	$ 2,097,675	$ 8,754,550	$ 8,296,750	$ 8,272,625	$ 8,267,900	$ 43,539,550

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

ATCHISON UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

Funds	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental Type Funds:						
General Fund	$ 6,478,550	$ (183,676)	$ 54,380	$ 6,349,254	$ 6,349,254	$ -
Supplemental General Fund	2,163,978	(60,726)	-	2,103,252	2,096,182	(7,070)
Special Revenue Funds						
Pre-School-Aged At-Risk	161,058	-	-	161,058	86,950	(74,108)
At-Risk (K-12)	743,200	-	-	743,200	572,461	(170,739)
Bilingual Education	6,312	-	-	6,312	3,365	(2,947)
Capital Outlay	540,000	-	-	540,000	141,083	(398,917)
Driver Training	51,001	-	-	51,001	21,761	(29,240)
Food Service	536,596	-	-	536,596	521,957	(14,639)
Professional Development	50,900	-	-	50,900	7,665	(43,235)
Summer School	15,450	-	-	15,450	-	(15,450)
Special Education	1,278,267	-	-	1,278,267	1,067,780	(210,487)
Career and Postsecondary Education Fund	262,977	-	-	262,977	246,551	(16,426)
KPERS Special Retirement Contribution	945,970	-	-	945,970	833,698	(112,272)
Special Education Cooperative	2,413,370	-	-	2,413,370	2,302,511	(110,859)
Bond and Interest Fund #1	1,186,541	-	-	1,186,541	1,186,541	-
Bond and Interest Fund #2	425,700	-	-	425,700	425,600	(100)
Total Funds	$ 17,259,870	$ (244,402)	$ 54,380	$ 17,069,848	$ 15,863,359	$ (1,206,489)

SCHEDULE 1

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid	$ 6,294,874	$ 6,478,550	$ (183,676)
Reimbursements	54,380	-	54,380
Total Cash Receipts	$ 6,349,254	$ 6,478,550	$ (129,296)
EXPENDITURES			
Instruction	$ 3,061,860	$ 3,353,487	$ (291,627)
Student support services	94,299	59,432	34,867
Instruction support staff	62,525	62,569	(44)
General administration	250,067	249,242	825
School administration	481,722	446,606	35,116
Central services	132,149	159,210	(27,061)
Operations and maintenance	299,294	269,708	29,586
Student transportation services	433,791	339,337	94,454
Transfers out	1,533,547	1,538,959	(5,412)
Adjustment to comply with legal maximum	-	(183,676)	183,676
Adjustment for qualifying budget credits	-	54,380	(54,380)
Total Expenditures	$ 6,349,254	$ 6,349,254	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Ad valorem property tax	$ 1,835,731	$ 1,964,378	$ (128,647)
Delinquent property tax	4,964	8,311	(3,347)
Motor vehicle tax	118,938	123,073	(4,135)
Recreational vehicle tax	2,739	2,673	66
Commercial vehicle tax	26,837	30,126	(3,289)
Excise tax	499	-	499
State aid	6,520	6,708	(188)
Transfers in	112,645	112,645	-
Total Cash Receipts	$ 2,108,873	$ 2,247,914	$ (139,041)
EXPENDITURES			
Instruction	$ 407,476	$ 280,132	$ 127,344
Student support services	55,354	57,450	(2,096)
Instruction support staff	3,834	7,400	(3,566)
General administration	157,473	92,000	65,473
School administration	155,032	76,000	79,032
Central services	86,264	106,750	(20,486)
Operations and maintenance	449,031	571,775	(122,744)
Student transportation	8,214	-	8,214
Transfers out	773,504	972,471	(198,967)
Adjustment to comply with legal maximum	-	(60,726)	60,726
Total Expenditures	$ 2,096,182	$ 2,103,252	$ (7,070)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 12,691		
UNENCUMBERED CASH - BEGINNING	81,988		
UNENCUMBERED CASH - ENDING	$ 94,679		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
PRESCHOOL-AGED AT-RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Transfers in	$ 90,000	$ 150,000	$ (60,000)
EXPENDITURES			
Instruction	$ 86,950	$ 161,058	$ (74,108)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 3,050		
UNENCUMBERED CASH - BEGINNING	23,607		
UNENCUMBERED CASH - ENDING	$ 26,657		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
AT-RISK FUND (K-12)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Transfers in	$ 572,974	$ 643,783	$ (70,809)
EXPENDITURES			
Instruction	$ 485,658	$ 575,000	$ (89,342)
Student support services	61,625	127,000	(65,375)
School administration	25,178	41,200	(16,022)
Total Expenditures	$ 572,461	$ 743,200	$ (170,739)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 513		
UNENCUMBERED CASH - BEGINNING	138,710		
UNENCUMBERED CASH - ENDING	$ 139,223		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Transfers in	$ 3,365	$ 6,312	$ (2,947)
EXPENDITURES			
Instruction	$ 3,365	$ 6,312	$ (2,947)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Interest income	$ 101,408	$ 40,000	$ 61,408
Miscellaneous	78,521	15,000	63,521
Transfers in	79,286	37,355	41,931
Total Cash Receipts	$ 259,215	$ 92,355	$ 166,860
EXPENDITURES			
Instruction	$ 114,782	$ 140,000	$ (25,218)
Facility acquisition and construction	26,301	400,000	(373,699)
Total Expenditures	$ 141,083	$ 540,000	$ (398,917)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 118,132		
UNENCUMBERED CASH - BEGINNING	410,828		
UNENCUMBERED CASH - ENDING	$ 528,960		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid	$ 9,135	$ 8,775	$ 360
Student fees	10,158	-	10,158
Total Cash Receipts	$ 19,293	$ 8,775	$ 10,518
EXPENDITURES			
Instruction	$ 20,499	$ 28,501	$ (8,002)
Operations and maintenance	1,262	22,500	(21,238)
Total Expenditures	$ 21,761	$ 51,001	$ (29,240)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (2,468)		
UNENCUMBERED CASH - BEGINNING	70,894		
UNENCUMBERED CASH - ENDING	$ 68,426		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local sources	$ 237,016	$ 256,356	$ (19,340)
State aid	27,397	3,454	23,943
Federal aid	201,437	242,833	(41,396)
Transfers in	67,546	-	67,546
Total Cash Receipts	$ 533,396	$ 502,643	$ 30,753
EXPENDITURES			
Operations and maintenance	$ 3,855	$ 2,000	$ (14,639)
Food service operations	518,102	534,596	(16,494)
Total Expenditures	$ 521,957	$ 536,596	$ (31,133)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 11,439		
UNENCUMBERED CASH - BEGINNING	160,675		
UNENCUMBERED CASH - ENDING	$ 172,114		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid	$ 928	$ 2,250	$ (1,322)
Transfers in	7,000	35,000	(28,000)
Total Cash Receipts	$ 7,928	$ 37,250	$ (29,322)
EXPENDITURES			
Instructional support staff	$ 7,665	$ 50,900	$ (43,235)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 263		
UNENCUMBERED CASH - BEGINNING	19,261		
UNENCUMBERED CASH - ENDING	$ 19,524		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUMMER SCHOOL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Summer school fees	$ -	$ 300	$ (300)
EXPENDITURES			
Instruction	$ -	$ 15,450	$ (15,450)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	17,461		
UNENCUMBERED CASH - ENDING	$ 17,461		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Transfers in	$ 1,070,034	$ 1,222,160	$ (152,126)
EXPENDITURES			
Instruction	$ 1,054	$ 1,275,267	$ (1,274,213)
Student transportation	1,935	3,000	(1,065)
Transfers out	1,064,791	-	1,064,791
Total Expenditures	$ 1,067,780	$ 1,278,267	$ (210,487)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 2,254		
UNENCUMBERED CASH - BEGINNING	173,129		
UNENCUMBERED CASH - ENDING	$ 175,383		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Transfers in	$ 303,394	$ 227,174	$ 76,220
EXPENDITURES			
Instruction	$ 244,051	$ 262,977	$ (18,926)
Instructional support staff	2,500	-	2,500
Total Expenditures	$ 246,551	$ 262,977	$ (16,426)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 59,343		
UNENCUMBERED CASH - BEGINNING	105,087		
UNENCUMBERED CASH - ENDING	$ 164,430		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State Sources			
State Aid	$ 833,698	$ 945,970	$ (112,272)
EXPENDITURES			
Instruction	$ 571,042	$ 643,470	$ (72,428)
Student support services	36,351	42,000	(5,649)
Instruction support staff	7,381	8,500	(1,119)
General administration	27,362	32,000	(4,638)
School administration	61,755	70,000	(8,245)
Central support services	31,000	35,000	(4,000)
Operations and maintenance	43,438	50,000	(6,562)
Student transportation	25,173	30,000	(4,827)
Food service operations	30,196	35,000	(4,804)
Total Expenditures	$ 833,698	$ 945,970	$ (112,272)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SPECIAL EDUCATION COOPERATIVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local sources - Payments from other districts	$ 757,198	$ 2,124,401	$ (1,367,203)
Federal aid	485,805	495,540	(9,735)
Other reimbursements	15,754	-	15,754
Transfers in	1,064,791	-	1,064,791
Total Cash Receipts	$ 2,323,548	$ 2,619,941	$ (296,393)
EXPENDITURES			
Instruction	$ 1,833,263	$ 2,000,533	$ (167,270)
Student support services	259,490	213,018	46,472
Instructional support staff	16,701	-	16,701
General administration	174,444	177,279	(2,835)
Operations and maintenance	17,568	20,890	(3,322)
Student transportation	1,045	1,650	(605)
Total Expenditures	$ 2,302,511	$ 2,413,370	$ (110,859)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 21,037		
UNENCUMBERED CASH - BEGINNING	554,292		
UNENCUMBERED CASH - ENDING	$ 575,329		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
BOND AND INTEREST FUND #1
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Taxes	$ 1,568,348	$ 1,633,709	$ (65,361)
Local sources - other	165,409	250,000	(84,591)
Total Cash Receipts	$ 1,733,757	$ 1,883,709	$ (149,952)
EXPENDITURES			
Interest	$ 1,186,541	$ 1,186,541	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ 547,216		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ 547,216		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
BOND AND INTEREST FUND #2
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Ad valorem property tax	$ 444,608	$ 446,248	$ (1,640)
Delinquent tax	1,486	2,242	(756)
Motor vehicle tax	35,318	33,210	2,108
Recreational vehicle tax	652	721	(69)
Commercial vehicle tax	9,845	8,130	1,715
Excise tax	197	-	197
State Treasurer - Refund	-	-	-
Total Cash Receipts	$ 492,106	$ 490,551	$ 1,555
EXPENDITURES			
Principal	$ 350,000	$ 350,000	$ -
Interest	75,600	75,700	(100)
Total Expenditures	$ 425,600	$ 425,700	$ (100)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 66,506		
UNENCUMBERED CASH - BEGINNING	671,283		
UNENCUMBERED CASH - ENDING	$ 737,789		

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Contingency Reserve Fund	Title I	Title II	Title IV
CASH RECEIPTS				
Federal aid	$ -	$ 80,189	$ 18,322	$ 14,275
Local sources - other	-	-	-	-
Transfers in	112,645	-	10,929	-
Total Cash Receipts	$ 112,645	$ 80,189	$ 29,251	$ 14,275
EXPENDITURES				
Instruction	$ -	$ 80,189	$ 24,956	$ -
Instruction support staff	-	-	4,295	3,346
General administration	42,206	-	-	-
Transfers out	112,645	-	-	10,929
Total Expenditures	$ 154,851	$ 80,189	$ 29,251	$ 14,275
RECEIPTS OVER (UNDER) EXPENDITURES	$ (42,206)	$ -	$ -	$ -
UNENCUMBERED CASH - BEGINNING	355,814	-	-	-
UNENCUMBERED CASH - ENDING	$ 313,608	$ -	$ -	$ -

(Continued)

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended June 30, 2024

	Gifts and Grants	ESSER III	Carl Perkins	Construction
CASH RECEIPTS				
Federal aid	$ -	$ 235,763	$ 48,578	$ -
State aid	10,743	-	-	-
Local sources - other	42,385	-	-	1,501,525
Interest income	-	-	-	552,739
Total Cash Receipts	$ 53,128	$ 235,763	$ 48,578	$ 2,054,264
EXPENDITURES				
Instruction	$ 41,859	$ 70,066	34,577	$ 671,735
Student support services	-	166,029	-	-
Instructional support staff	-	-	4,232	-
General administration	-	-	9,769	-
Operations and maintenance	25,000	-	-	1,793
Facility acquisition and construction	-	-	-	10,320,958
Total Expenditures	$ 66,859	$ 236,095	$ 48,578	$ 10,994,486
RECEIPTS OVER (UNDER) EXPENDITURES	$ (13,731)	$ (332)	$ -	$ (8,940,222)
UNENCUMBERED CASH - BEGINNING	46,707	-	-	25,120,413
UNENCUMBERED CASH - ENDING	$ 32,976	$ (332)	$ -	$ 16,180,191

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Nemaha Central High School				
Class of 2022	$ 510	$ -	$ 510	$ -
Class of 2023	2,687	-	2,687	-
Class of 2024	20,327	23,451	42,536	1,242
Class of 2025	8,245	32,029	17,086	23,188
Class of 2026	210	10,334	2,226	8,318
Class of 2027	-	520	-	520
Forensics	7	1,466	1,473	-
Scholar Bowl Club	2,761	1,350	1,484	2,627
Art Club	39	-	-	39
Cheerleaders	2,951	1,540	3,909	582
Band	2,120	6,749	4,363	4,506
Dance Team	561	680	1,174	67
FBLA	3,816	9,313	11,251	1,878
FCCLA	2,779	8,648	8,451	2,976
FFA	24,314	27,098	28,462	22,950
Kays	1,035	19,514	19,715	834
National Honor Society Club	594	820	1,048	366
NCHS Alumni	373	-	-	373
SADD	727	504	659	572
Stucco	2,366	13,975	14,679	1,662
Total Nemaha Central High School	$ 76,422	$ 157,991	$ 161,713	$ 72,700
Nemaha Central Elementary/Middle School				
Eighth Grade Class	$ 378	$ 9,541	$ 9,462	$ 457
Total School Funds	$ 76,800	$ 167,532	$ 171,175	$ 73,157
Payroll Clearing				
Insurance and Cafeteria Plan Reimbursements	$ 17,106	$ 43,597	$ -	$ 60,703
Total Agency Funds	$ 93,906	$ 211,129	$ 171,175	$ 133,860

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance
Gate Receipts				
Nemaha Central High School	$ 23,692	$ 87,839	$ 69,652	$ 41,879
Nemaha Central Middle School	3,304	10,536	10,034	3,806
Total Gate Receipts	$ 26,996	$ 98,375	$ 79,686	$ 45,685
School Projects				
Nemaha Central High School	$ 34,272	$ 189,274	$ 180,251	$ 43,295
Nemaha Central Middle School	22,895	212,077	207,233	27,739
Total School Projects	$ 57,167	$ 401,351	$ 387,484	$ 71,034
Total District Activity	$ 84,163	$ 499,726	$ 467,170	$ 116,719

VARNEY
& ASSOCIATES, CPAs, LLC



December 2, 2024

Board of Education
Unified School District No. 115
Seneca, Kansas

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Unified School District No. 115 (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated December 2, 2024.

Internal Control over Financial Reporting

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

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

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

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Compliance and Other Matters

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

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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

December 2, 2024

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 115
Seneca, Kansas

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance

Unmodified Opinions

We have audited Unified School District No. 115's 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 District's major federal programs for the year ended June 30, 2024. 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 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, 2024.

Basis for Unmodified Opinions

We conducted our audit of compliance 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 (*Government Auditing Standards*); 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 GAAS, *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.

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Auditor's Responsibilities for the Audit of Compliance (Continued)

In performing an audit in accordance with GAAS, *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.

Purpose of this Report

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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

	Federal AL Number	Pass-Thru Entity Identifying Number	Federal Award Expenditures	Subrecipient Expenditures
U.S. Dept. of Agriculture				
Passed through Kansas State Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	DO115	$ 23,367	$ -
National School Lunch Program	10.555	DO115	170,725	-
Summer Food Program	10.559	DO115	24,849	-
Total Child Nutrition Cluster			$ 218,941	$ -
Local Food for Schools	10.185	DO115	$ 5,433	$ -
Total U.S. Dept. of Agriculture			$ 224,374	$ -
U.S. Dept. of Education				
Passed through Kansas State Department of Education				
Special Education Cluster				
Title VI-B Preschool Grant	84.173A	DO115	$ 7,796	$ -
Title VI-B	84.027A	DO115	363,416	-
Total Special Education Cluster			$ 371,212	$ -
Title I	84.010	DO115	$ 80,189	$ -
Carl Perkins - Secondary Program Improvement	84.048	DO115	48,578	-
Title IIA	84.367	DO115	18,322	-
Title IVA	84.424A	DO115	14,275	-
COVID-19 - Elementary and Secondary School Emergency Relief III	84.425U	DO115	236,095	-
Total U.S. Dept. of Education			$ 768,671	$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 993,045	$ -

NOTE A: BASIS OF PRESENTATION

This schedule is prepared on a basis of accounting that demonstrates compliance with the cash basis. Cash receipts are recognized when the cash balance of a fund is increased. Cash disbursements are recognized when the cash balance of a fund is decreased. Expenditures include disbursements, accounts payable and encumbrances. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

NOTE B: INDIRECT COST RATE

The District does not allocate indirect costs to its federal award program. Accordingly, use of the 10% de minimis indirect cost rate provisioned by the Uniform Guidance, Section 414, is not applicable.

NOTE C: NON-CASH ASSISTANCE, INSURANCE, AND LOANS

The District did not receive or expend any federal awards in the form of non-cash assistance, insurance, loans or loan guarantees, including interest subsidies during the year ended June 30, 2024.

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	___ Yes	X None
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	X None reported
Noncompliance material to financial statements noted?	___ Yes	X None

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	___ Yes	X No
Significant deficiencies identified 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)	___ Yes	X No

Identification of major programs:

Name of Federal Program	CFDA Number
COVID-19 - Elementary and Secondary School Emergency Relief III	84.425U
Special Education Cluster	84.027A and 84.173A

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

NOTE: Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status changed by the U.S. Office of Management and Budget (OMB). Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

Section II - Financial Statement Findings

No matters were reported

Section III - Federal Award Findings and Questioned Costs

No matters were reported

UNIFIED SCHOOL DISTRICT NO. 115
Seneca, Kansas
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2024

PRIOR YEAR FINDINGS - FINANCIAL STATEMENT AUDIT

2023-001 Capital Project Fund Accounting Violation

Condition: The District did not record the bond monies in the Capital Project Fund for FYE23.

Recommendation: The District needs to record the initial bond monies and the activity of the bond monies in the Capital Project Fund 17.

Current Status: Corrective action has been taken. The District recorded the initial bond monies and activity in the Capital Project Fund in 2024.