UNIFIED SCHOOL DISTRICT NUMBER 408
MARION, KANSAS

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2022



LOYD GROUP, LLC

Certified Public Accountants

Unified School District Number 408
Marion, Kansas

Fiscal Year Ended June 30, 2022

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Unified School District Number 408
Marion, Kansas

Fiscal Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District 408
101 North Thorp
Marion, KS 66861

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 Number 408, Kansas (District), a Municipal Financial Reporting Entity, as of and for the year ended June 30, 2022, 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, 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 *Kansas Municipal Audit and Accounting Guide* 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 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.

Other Matter

The prior year's financial statement for the year ended June 30, 2021, was audited by another auditor, who expressed an unmodified opinion on regulatory basis of accounting, on October 27, 2021,

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 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 disbursements—agency funds, schedules of regulatory basis 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 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself,

and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

Another auditor previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District Number 408 as of and for the year ended June 30, 2021 (not presented herein), and have issued their report thereon dated October 27, 2021, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and their 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/oar/municipalservices. 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 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.

Our audit was conducted for the purpose of forming an opinion on the financial statement of Unified School District Number 408, Kansas. 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 also 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 September 6, 2022, on our consideration of Unified School District Number 408's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Unified School District Number 408'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 Unified School District Number 408's internal control over financial reporting and compliance.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
September 6, 2022

Unified School District Number 408
Marion, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUNDS:							
General Fund	$ -	$ -	$ 4,521,033	$ 4,521,033	$ -	$ 21,091	$ 21,091
Supplemental General Fund	56,388	-	1,458,575	1,407,178	107,785	-	107,785
SPECIAL PURPOSE FUNDS:							
At Risk (4 Yr Old) Fund	-	-	79,998	79,998	-	-	-
At Risk (K-12) Fund	1,011	-	522,882	522,882	1,011	-	1,011
Virtual Education Fund	-	-	23,740	23,740	-	-	-
Capital Outlay Fund	194,056	-	529,033	569,578	153,511	14,734	168,245
Driver Training Fund	20,398	-	6,066	7,210	19,254	-	19,254
Food Service Fund	93,050	-	397,546	323,909	166,687	27,840	194,527
Professional Development Fund	1,312	-	-	-	1,312	-	1,312
Special Education Fund	343,074	-	836,327	1,125,211	54,190	-	54,190
Career and Postsecondary Education Fund	10,453	227	118,104	123,967	4,817	1,832	6,649
KPERS Special Retirement Contribution Fund	-	-	547,997	547,997	-	-	-
Contingency Reserve Fund	121,971	16,893	-	-	138,864	-	138,864
Textbook/Student Material Revolving Fund	61,630	-	29,473	20,878	70,225	4,652	74,877
Title I Fund	(8,658)	-	109,610	100,952	-	-	-
Grants Fund	22,326	-	59,680	59,681	22,325	-	22,325
ESSER Fund	-	-	271,301	413,240	(141,939)	-	(141,939)
Recreation Fund	1,285	-	24,997	12,832	13,450	-	13,450
Gate Receipts	5,658	-	107,881	111,480	2,059	-	2,059
BOND AND INTEREST FUND:							
Bond and Interest Fund	952,851	-	732,468	895,650	789,669	-	789,669
TRUST FUND:							
Pippen Scholarship Fund	21,529	-	527	500	21,556	-	21,556
Darrow Scholarship Fund	7,520	-	176	500	7,196	-	7,196
Hett Scholarship Fund	16,611	-	404	500	16,515	-	16,515
MHS Alumni Scholarship Fund	7,193	-	168	500	6,861	-	6,861
Fruechting Memorial Scholarship Fund	51,873	-	1,250	2,000	51,123	-	51,123
MHS Coaches Scholarship Fund	14,964	-	317	2,500	12,781	-	12,781
Navrat Scholarship Fund	238,945	-	5,879	4,000	240,824	-	240,824
Wrestling Scholarship Fund	281	-	7	-	288	-	288
Jeff Harris Scholarship Fund	1,825	-	2,561	500	3,886	-	3,886
Craft Memorial Scholarship Fund	-	-	2,369	-	2,369	-	2,369
Total Reporting Entity (Excluding Agency Funds)	$ 2,237,546	$ 17,120	$ 10,390,369	$ 10,878,416	$ 1,766,619	$ 70,149	$ 1,836,768

COMPOSITION OF CASH:	
Marion National Bank - NOW account	$ 158,829
Central National Bank - Scholarship Certificate of Deposit	363,398
Central National Bank - Performance Checking	1,284,533
Central National Bank - High School Activity Fund	28,824
Tampa State Bank - NOW Account	27,949
Tampa State Bank - Middle School Activity Fund	11,190
Total Cash	1,874,723
Agency Funds per Schedule 3	(37,955)
Total Reporting Entity (Excluding Agency Funds)	$ 1,836,768

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

UNIFIED SCHOOL DISTRICT NUMBER 408
MARION, KS

NOTES TO THE FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

Unified School District Number 408 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District Number 408 (the District), a municipality.

(b) Regulatory Basis Fund Types

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

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

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

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

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

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

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

(c) Basis of Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

If the municipality 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 municipality did not hold a revenue neutral rate hearing for this

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 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 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 project funds, trust funds and the following special purpose funds: Contingency Reserve, Textbook/Student Material Revolving, Title I, Grants, ESSER, Recreation and District Activity Funds - Gate Receipts.

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Kansas municipalities are subject to the cash-basis law as stated in Kansas Statute 10-1113. The Title I fund has a negative unencumbered cash balance at June 30, 2021 and the ESSER fund has a negative unencumbered cash balance at June 30, 2022, which is allowable under Kansas Statute 12-1663. These funds will be reimbursed in the following fiscal year from federal grant programs.

3. DEPOSITS AND INVESTMENTS

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

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; 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 below, if applicable.

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.

3. DEPOSITS AND INVESTMENTS (CONT.)

Custodial credit risk. Custodial credit risk is the risk that in the event of 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.

At year end, the carrying amount of the District's deposits was $1,874,723 and the bank balance was $2,063,756. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $448,121 was covered by federal depository insurance and $1,615,635 was collateralized with securities held by the pledging institution's agents in the District's name.

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

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $174,892 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.

5. INTERLOCAL AGREEMENT

The City of Marion approved the proposal from the District for the City to utilize the District's indoor swimming pool facility for public and City recreation use on March 8, 2021. The City agrees to pay $100,000 annually to the District for the life of the bonds and also split net expenses each year equally with the District, to be revaluated in three years.

6. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk 4 Yr Old Fund	K.S.A. 72-6478	$ 70,188
General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	398,598
General Fund	Virtual Education Fund	K.S.A. 72-6478	23,740
General Fund	Food Service	K.S.A. 72-6478	148
General Fund	Special Education Fund	K.S.A. 72-6478	715,202
Supplemental General Fund	At Risk 4 Yr Old Fund	K.S.A. 72-6478	1,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	124,284
Supplemental General Fund	Special Education Fund	K.S.A. 72-6478	121,125
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-6478	118,104
			$ 1,572,389

7. LONG-TERM DEBT

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

Issue	Interest Rate	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									
Series 2015 Refunding	3.00%	03-25-15	$ 4,725,000	09-01-24	$ 2,275,000	$ -	$ 840,000	$ 1,435,000	$ 58,650
Capital Leases									
Bus Lease	2.345%	05-28-20	96,800	05-28-23	65,286	-	32,261	33,025	1,547
Bus Lease	2.895%	10-20-17	45,632	10-20-21	-	-	-	-	-
HVAC	4.000%	06-30-19	1,100,000	09-10-28	884,675	-	96,056	788,619	35,299
Total Capital Leases					949,961	-	128,317	821,644	36,846
Total Contractual Indebtedness					$ 3,224,961	$ -	$ 968,317	$ 2,256,644	$ 95,496

7. LONG-TERM DEBT (CONT.)

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

	Year						
	2023	2024	2025	2026	2027	2028-2031	Total
Principal							
General Obligation Bonds							
Series 2015 Refunding	$ 660,000	$ 675,000	$ 100,000	$ -	$ -	$ -	$ 1,435,000
Capital Leases							
2020 Bus Lease	33,025	-	-	-	-	-	33,025
HVAC	99,888	103,874	107,955	112,326	116,808	247,768	788,619
Total Capital Leases	132,913	103,874	107,955	112,326	116,808	247,768	821,644
Total Principal	792,913	778,874	207,955	112,326	116,808	247,768	2,256,644
Interest							
General Obligation Bonds							
Series 2015 Refunding	39,150	19,125	4,500	-	-	-	62,775
Capital Leases							
2020 Bus Lease	783	-	-	-	-	-	783
HVAC	31,466	27,480	23,400	19,028	14,547	14,939	130,860
Total Capital Leases	32,249	27,480	23,400	19,028	14,547	14,939	131,643
Total Interest	71,399	46,605	27,900	19,028	14,547	14,939	194,418
Total Principal and Interest	$ 864,312	$ 825,479	$ 235,855	$ 131,354	$ 131,355	$ 262,707	$ 2,451,062

8. DEFINED BENEFIT PENSION PLAN

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

***Contributions*.** K.S.A. 74-4919 and K.S.A 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or 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 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33%, respectively, 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 was scheduled to be made in a series of twenty annual payments of $19.4 million starting in fiscal year 2020.

8. DEFINED BENEFIT PENSION PLAN (CONT.)

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for 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 an additional a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative sesssion 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 of retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $547,997 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 $3,945,553. 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 publically available on the website at www.kpers.org or can be obtained as described above.

9. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. If the employee worked for the District for more than 15 years and took early retirement, the District pays the premium until the former employee reaches the age of 65. This benefit is no longer being offered to current employees. Other retirees, who did not take the early retirement benefit, pay 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.

(b) 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.

(c) Compensated Absences

Accumulated sick pay is not paid to employees upon termination of employment unless employees have been employed 15 years or more. Vacation, sick leave and other compensated absences are recorded as expenditures in governmental funds when they are paid.

Employees earn 10 days sick leave each year with a maximum accumulation of 75 days. Any accumulation of sick leave over 75 days is paid to the employee at the rate of $25 per day. Upon retirement, after 15 years of employment, the employee shall be paid $25 for each day of unused sick leave.

The District has an "Early Resignation Incentive" program (not an early retirement program) as follows: Teachers who provide written notice of resignation at the end of the contract term will be provided the financial incentive, which corresponds to the resignation submission date stated in the program document.

10. CLAIMS AND JUDGMENTS

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

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

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2021 to 2022, and there were no settlements that exceeded insurance coverage in the past three years.

11. SCHOLARSHIP FUNDS

During the year ended June 30, 1994, the District was named trustee of the H. Dean Pippin Memorial Scholarship Fund. Under the terms of the trust agreement, all contributions to the fund must be maintained as principal. A scholarship(s) of at least 90% of earnings shall be granted at least annually from the income derived from the trust principal during the previous trust year to one or more high school seniors graduating from Marion High School who intend to continue their education with post-high school studies. No contributions were made during the year ended June 30, 2022, and the corpus balance is $21,500.

During the year ended June 30, 1997, the District was named trustee of the Corey Darrow Memorial Scholarship Fund. Under the terms of the addendum to the trust agreement signed June 3, 2013, the distributed amount of the scholarship will be $500 annually. The amount will be derived from interest earned on the account throughout the year and principal within the account. No contributions were made during the year ended June 30, 2022.

During the year ended June 30, 1998, the District was named trustee of the Calvin Ray Hett Memorial Scholarship Fund. Under the terms of the addendum signed May 30, 2013, the distributed amount of the scholarship will be $500 annually. The amount will be derived from interest earned on the account throughout the year and principal within the account. A scholarship(s) can be given to a high school senior graduating from Marion High School who intends to continue his/her education with post-high school studies in agriculture or an agriculture related field. No contributions were made during the year ended June 30, 2022.

During the year ended June 30, 1998, the District was named trustee of the Marion High School Alumni Scholarship Fund. Under the terms of the addendum to the trust agreement signed on May 20, 2013, the distributed amount of the MHS Alumni Scholarship will be an amount not to exceed $500 annually. The amount will be derived from interest earned on the account throughout the year and principal within the account. There shall be a scholarship granted at least annually from the income derived from the trust principal to one or more recipients, as deemed appropriate and advisable by the District. Preference is given to high school seniors who choose to enroll in an accredited school of higher education. No contributions were made during the year ended June 30, 2022.

During the year ended June 30, 2003, the District was named trustee of the John Leslie and Ada Estelle Fruechting Memorial Scholarship Fund. Under the terms of the trust agreement, all funds will be held in the trust with only the interest used for scholarship aid. The trust shall be perpetual. There shall be a scholarship granted at least annually from the income derived from the trust principal to one or more recipients, as deemed appropriate and advisable by the District. $2,000 will be distributed annually payable in two scholarships for $500 and one scholarship for $1,000. Preference is to be given to high school seniors intending to pursue post-high school studies at a four-year college or university that have shown leadership qualities either in the classroom or school activities. No contributions were made during the year ended June 30, 2022, and the corpus balance remains $45,000.

11. SCHOLARSHIP FUNDS (CONT.)

During the year ended June 30, 2003, the District was named trustee of the MHS Coaches' Scholarship Fund. Under the terms, the fund is intended to be perpetual. The scholarship is to be awarded to college bound graduating seniors in honor of former Marion High School coaches who have been nominated and met the MHSCSP qualifying criteria. One student/athlete will be nominated by the coaching staff of each individual sport offered at Marion High School. In addition, the Marion High School Athletic Director will nominate one at-large student/athlete that has not been nominated by an individual sport. These individual scholarships shall be in the amount up to $300 scholarships and one $500 scholarship per year until all funds are depleted. Income may also be expended for scholarship recipient plaques according to an addendum approved July 1, 2009. No contributions were made during the year ended June 30, 2022.

During the year ended June 30, 2015, the District was named trustee of the Michael Navrat and Helen Ptacek Navrat Endowed Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. The District shall spend the trust income acquired from the principal amount, less any investment expenses, to grant one or more scholarships of equal amounts rounded to the nearest one hundred dollars. When rounding for the scholarships, if not all the income is used, the excess may go to increase the principal or the deficit may decrease the amount of the principal. The scholarship is to be awarded at least annually to one or more college bound graduating seniors as deemed appropriate and advisable by the District. Preference is to be given to high school seniors who have demonstrated financial hardship as determined by Marion High School. No contributions were made during the year ended June 30, 2022. The corpus is $234,215 at June 30, 2022.

During the year ended June 30, 2015, the District was named trustee of the Marion Junior Wrestling Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. The District shall grant one scholarship in the amount of $250 annually to one high school senior wrestler who is intending to continue their education with post-high school collegiate studies. Preference shall be given to those high school wrestlers that contributed to the team's success, as well as their displayed character, leadership and sportsmanship as determined by the District. No contributions were made during the year ended June 30, 2022.

During the year ended June 30, 2018, the District was named trustee of the Jeff Harris Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. The District shall grant one or more recipients a scholarship in the amount of $500 annually to high school seniors intending to pursue post-high school studies at a vocational-technical school. Preference shall be given to those high school seniors intending to pursue post-high school studies at a vocational-technical school as determined by the District. No contributions were made during the year ended June 30, 2022.

During the year ended June 30, 2022, the District was named trustee of the Craft Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. Annualy, the District shall grant one or more recipients a scholarship as deemed appropriate and advisable by the Trustee. The scholarship shall be grandted to one or more high school seniors graduatiion from Marion High School, or the successor high school educatino marion, Kansas students who intend to conintue their education with post-high school studies. Preference shall be given to those high school seniors intending to pursue post-high school studies in the area of law enforcement or teaching.

12. COVID-19

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 Municipality'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 Municipality is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2023. Future potential impacts may include a decrease in certain revenues, reduced student traffic and the temporary closure of operating hours of our offices.

13. CRF AND CARES ACT FUNDING

The CARES Act also included Elementary and Secondary School Emergency Relief (ESSER) Funds for K-12 schools. The ESSER grants will provide school districts with emergency relief funds to address the impact COVID-19 has had on elementary and secondary schools. It is being allocated to the Districts in three phases, ESSER I, II, and III. The ESSER I under the Cares Act began in March 2020, the ESSER II under the CRRSA Act began in December 2020, and the ESSER III under the ARP Act began in March 2021. The District was allocated $67,468 for ESSER I, $269,918 for ESSER II, and $606,198 for ESSER III. As of June 30, 2022 the District spent all of ESSER I, all of ESSER II, and $141,939 of ESSER III.

14. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NUMBER 408
MARION, KANSAS

REGULATORY-REQUIRED
SUPPLEMENTAL INFORMATION

FISCAL YEAR ENDED JUNE 30, 2022

Unified School District Number 408
Marion, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended June 30, 2022

	Certified Budget	Adjustments 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 Fund	$ 4,752,619	$ (231,853)	$ 267	$ 4,521,033	$ 4,521,033	$ -
Supplemental General Fund	1,458,728	(43,759)	-	1,414,969	1,407,178	(7,791)
SPECIAL PURPOSE FUNDS:						
At Risk (4 Yr Old) Fund	90,000	-	-	90,000	79,998	(10,002)
At Risk (K-12) Fund	523,893	-	-	523,893	522,882	(1,011)
Virtual Education Fund	47,090	-	-	47,090	23,740	(23,350)
Capital Outlay Fund	723,556	-	-	723,556	569,578	(153,978)
Driver Training Fund	25,198	-	-	25,198	7,210	(17,988)
Food Service Fund	415,593	-	-	415,593	323,909	(91,684)
Professional Development Fund	11,312	-	-	11,312	-	(11,312)
Special Education Fund	1,372,493	-	-	1,372,493	1,125,211	(247,282)
Career and Postsecondary Education Fund	141,453	-	-	141,453	123,967	(17,486)
KPERS Special Retirement Contribution Fund	601,012	-	-	601,012	547,997	(53,015)
BOND AND INTEREST FUND:						
Bond and Interest Fund	898,650	-	-	898,650	895,650	(3,000)
Total	$ 11,061,597	$ (275,612)	$ 267	$ 10,786,252	$ 10,148,353	$ (637,899)

Unified School District Number 408
Marion, Kansas

GENERAL FUND

GENERAL FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 3,832,369	$ 3,852,127	$ 3,992,555	$ (140,428)
Mineral production tax	169	557	-	557
Special education aid	731,579	668,082	760,064	(91,982)
Miscellaneous reimbursements	-	267	-	267
Total Receipts	4,564,117	4,521,033	$ 4,752,619	$ (231,586)
Expenditures:				
Instruction -				
Certified salaries	1,259,654	1,252,193	$ 1,279,867	$ (27,674)
Non-certified salaries	87,391	118,520	95,000	23,520
Insurance	234	2,032	10,000	(7,968)
Social Security	196,357	229,262	196,000	33,262
Other benefits	400	25,167	2,000	23,167
Purchased professional services	65,554	25,294	61,000	(35,706)
Supplies	1,979	17,389	2,000	15,389
Other	136,226	48,491	130,000	(81,509)
Student Support Services -				
Certified salaries	105,811	78,588	110,000	(31,412)
Non-certified salaries	22,070	34,314	25,000	9,314
Insurance	9,783	-	10,000	(10,000)
Social Security	-	9,197	1,000	8,197
Other benefits	-	-	1,000	(1,000)
Purchased professional services	9,780	4,522	5,000	(478)
Instruction Support Staff -				
Certified salaries	66,796	109,004	70,000	39,004
Non-certified salaries	44,479	5,000	46,000	(41,000)
Insurance	25,082	-	27,000	(27,000)
Social Security	-	27,331	-	27,331
Books and periodicals	5,807	96	4,000	(3,904)
General Administration -				
Certified salaries	120,956	188,989	125,000	63,989
Insurance	7,881	13,078	9,000	4,078
Purchased professional services	41,043	69,727	42,000	27,727
Insurance	6,000	2,000	6,000	(4,000)
Communications	60,880	57,016	61,000	(3,984)
Supplies	12,930	9,882	13,000	(3,118)
Property, equipment and furniture	6,314	7,324	7,000	324

Unified School District Number 408
Marion, Kansas

GENERAL FUND

GENERAL FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
General Administration -				
Other	$ 3,406	$ 2,734	$ 4,000	$ (1,266)
School Administration -				
Certified salaries	282,181	311,831	290,000	21,831
Non-certified salaries	105,273	115,402	110,000	5,402
Insurance	45,517	48,266	46,000	2,266
Social Security	-	5,000	5,000	-
Other purchased services	699	1,115	3,000	(1,885)
Supplies	5,076	57,933	6,000	51,933
Operations and Maintenance -				
Non-certified salaries	290,086	46,974	295,000	(248,026)
Insurance	65,566	68,000	68,000	-
Social Security	-	-	3,000	(3,000)
Purchased professional services	5,627	10,774	6,000	4,774
Water/sewer	13,707	20,486	14,000	6,486
Other purchased property services	5,579	5,502	6,000	(498)
Insurance	-	6,000	10,000	(4,000)
Student Transportation Services - Supervision				
Other	3,809	2,883	4,000	(1,117)
Vehicle Operating Services -				
Non-certified salaries	51,256	57,964	53,000	4,964
Insurance	13,174	452	10,000	(9,548)
Social Security	-	26,280	5,000	21,280
Other employee benefits	-	1,366	2,000	(634)
Insurance	8,000	5,615	8,000	(2,385)
Motor fuel	24,751	41,955	26,000	15,955
Property and equipment	-	1,000	8,000	(7,000)
Other	8,406	11,507	9,000	2,507
Vehicle & Maintenance Services -				
Purchased property services	8,968	11,236	10,000	1,236
Community Service Operations -	35,380	49,356	36,000	13,356
Other Supplemental Services -				
Non-certified salaries	50,173	30,182	52,000	(21,818)
Insurance	17,852	20,000	20,000	-
Social Security	-	18,928	-	18,928

Unified School District Number 408
Marion, Kansas

GENERAL FUND

GENERAL FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Outgoing Transfers -				
At Risk (4 Yr Old) Fund	$ 59,958	$ 70,188	$ 60,000	$ 10,188
At Risk (K-12) Fund	390,000	398,598	398,598	-
Virtual Education Fund	41,020	23,740	47,090	(23,350)
Capital Outlay Fund	3,532	-	4,000	(4,000)
Food Service Fund	-	148	-	148
Special Education Fund	731,714	715,202	760,064	(44,862)
Career and Postsecondary Education Fund	-	-	36,000	(36,000)
Adjustment to comply with legal max	-	-	(231,853)	231,853
Legal General Fund Budget	4,564,117	4,521,033	4,520,766	267
Adjustment for qualifying budget credits	-	-	267	(267)
Total Expenditures	4,564,117	4,521,033	$ 4,521,033	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 618,896	$ 726,606	$ 32,481	$ 694,125
Delinquent tax	12,100	10,012	9,235	777
Motor vehicle tax	76,194	71,636	69,374	2,262
Recreational vehicle tax	2,604	2,830	1,368	1,462
State aid	646,696	647,491	615,840	31,651
Total Receipts	1,356,490	1,458,575	$ 728,298	$ 730,277
Expenditures:				
Instruction -				
Certified salaries	493,078	464,339	$ 493,444	$ (29,105)
Social Security	3,426	-	4,000	(4,000)
Property and equipment	11,451	7,737	12,000	(4,263)
Operations and Maintenance -				
Repair of buildings	31,999	-	33,000	(33,000)
Insurance	27,949	55,593	28,000	27,593
Supplies	50,023	288,380	51,000	237,380
Heating	50,263	45,517	52,000	(6,483)
Electricity	118,846	181,099	120,000	61,099
Property and equipment	1,121	-	1,000	(1,000)
Community Service Operations	-	-	175,000	(175,000)
Outgoing Transfers -				
At Risk (4 year old) Fund	-	1,000	30,000	(29,000)
At Risk (K-12) Fund	121,011	124,284	124,284	-
Special Education Fund	373,342	121,125	250,000	(128,875)
Career and Postsecondary Education Fund	85,000	118,104	85,000	33,104
Adjustment to comply with legal max	-	-	(43,759)	43,759
Total Expenditures	1,367,509	1,407,178	$ 1,414,969	$ (7,791)
Receipts Over (Under) Expenditures	(11,019)	51,397		
Unencumbered Cash, Beginning	67,407	56,388		
Unencumbered Cash, Ending	$ 56,388	$ 107,785		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

AT RISK (4 YR OLD) FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Other miscellaneous revenue	$ 2,000	$ 8,810	$ -	$ 8,810
Transfer from General Fund	59,958	70,188	60,000	10,188
Transfer from Supplemental General	-	1,000	30,000	(29,000)
Total Receipts	61,958	79,998	$ 90,000	$ (10,002)
Expenditures:				
Instruction -				
Certified salaries	54,733	61,441	$ 62,000	$ (559)
Non-certified salaries	2,002	9,725	3,000	6,725
Social Security	3,893	8,832	5,000	3,832
Supplies	1,330	-	20,000	(20,000)
Total Expenditures	61,958	79,998	$ 90,000	$ (10,002)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

AT RISK (K-12) FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 390,000	$ 398,598	$ 398,598	$ -
Transfer from Supplemental General	121,011	124,284	124,284	-
Total Receipts	511,011	522,882	$ 522,882	$ -
Expenditures:				
Instruction -				
Certified salaries	510,000	522,882	$ 523,893	$ (1,011)
Receipts Over (Under) Expenditures	1,011	-		
Unencumbered Cash, Beginning	-	1,011		
Unencumbered Cash, Ending	$ 1,011	$ 1,011		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

VIRTUAL EDUCATION FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 41,020	$ 23,740	$ 47,090	$ (23,350)
Expenditures:				
Instruction -				
Purchased professional services	41,020	23,740	$ 47,090	$ (23,350)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

CAPITAL OUTLAY FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 278,146	$ 359,773	$ 337,754	$ 22,019
Delinquent tax	2,268	2,537	4,178	(1,641)
Motor vehicle tax	22,233	32,731	31,010	1,721
Recreational vehicle tax	938	1,288	625	663
Commercial vehicle tax	-	-	681	(681)
Interest on idle funds	2,814	7,586	25,000	(17,414)
State aid	134,147	125,118	126,252	(1,134)
Transfer from General Fund	3,532	-	4,000	(4,000)
Total Receipts	444,078	529,033	$ 529,500	$ (467)
Expenditures:				
Instruction -				
Non-certified salaries	-	100,000	$ -	$ 100,000
Property and equipment	339,484	196,747	340,000	(143,253)
Support Services -				
Non-certified salaries	-	200,000	-	200,000
Operations and Maintenance -				
Property and equipment	63,228	-	203,556	(203,556)
Repair of Buildings	-	-	90,000	(90,000)
Other Support Services -				
Property and equipment	135,316	72,831	90,000	(17,169)
Total Expenditures	538,028	569,578	$ 723,556	$ (153,978)
Receipts Over (Under) Expenditures	(93,950)	(40,545)		
Unencumbered Cash, Beginning	288,006	194,056		
Unencumbered Cash, Ending	$ 194,056	$ 153,511		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

DRIVER TRAINING FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 3,162	$ 3,416	$ 4,800	$ (1,384)
Other local source revenue	4,440	2,650	-	2,650
Total Receipts	7,602	6,066	$ 4,800	$ 1,266
Expenditures:				
Instruction -				
Certified salaries	6,798	6,654	$ 19,000	$ (12,346)
Social Security	527	516	1,000	(484)
Supplies	250	40	5,198	(5,158)
Total Expenditures	7,575	7,210	$ 25,198	$ (17,988)
Receipts Over (Under) Expenditures	27	(1,144)		
Unencumbered Cash, Beginning	20,371	20,398		
Unencumbered Cash, Ending	$ 20,398	$ 19,254		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

FOOD SERVICE FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Student sales	$ 9,979	$ -	$ -	$ -
Adult sales	17,000	22,558	28,900	(6,342)
Other revenue	2,000	486	-	486
State aid	3,023	2,761	-	2,761
Federal aid	327,140	371,593	293,643	77,950
Transfer from General Fund	-	148	-	148
Total Receipts	359,142	397,546	$ 322,543	$ 75,003
Expenditures:				
Food Service Operation -				
Non-certified salaries	14,901	15,835	$ 16,000	$ (165)
Insurance	3,031	3,205	4,000	(795)
Food and milk	259,803	256,691	320,000	(63,309)
Supplies	751	189	1,000	(811)
Property and equipment	42,234	33,493	64,593	(31,100)
Other	9,208	14,496	10,000	4,496
Total Expenditures	329,928	323,909	$ 415,593	$ (91,684)
Receipts Over (Under) Expenditures	29,214	73,637		
Unencumbered Cash, Beginning	63,836	93,050		
Unencumbered Cash, Ending	$ 93,050	$ 166,687		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

PROFESSIONAL DEVELOPMENT FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 4,612	$ -	$ 10,000	$ (10,000)
Expenditures:				
Instructional Support Staff - Certified salaries	9,824	-	$ 11,312	$ (11,312)
Receipts Over (Under) Expenditures	(5,212)	-		
Unencumbered Cash, Beginning	6,524	1,312		
Unencumbered Cash, Ending	$ 1,312	$ 1,312		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 731,714	$ 715,202	$ 760,064	$ (44,862)
Transfer from Supplemental General Fund	373,342	121,125	250,000	(128,875)
State aid	5,644	-	19,355	(19,355)
Total Receipts	1,110,700	836,327	$ 1,029,419	$ (193,092)
Expenditures:				
Instruction -				
Payment to Special Education Coop	464,807	475,196	$ 475,196	$ -
Payment to Sp. Ed Coop (Flowthrough)	718,258	649,897	828,886	(178,989)
Payment to Sp. Ed Coop (Flowthrough)	-	-	68,411	(68,411)
Operations and Maintenance -				
Rentals	4,216	-	-	-
Contract bus services	903	118	-	118
Vehicle Service and Maintenance -				
Vehicle Expense	281	-	-	-
Total Expenditures	1,188,465	1,125,211	$ 1,372,493	$ (247,282)
Receipts Over (Under) Expenditures	(77,765)	(288,884)		
Unencumbered Cash, Beginning	420,839	343,074		
Unencumbered Cash, Ending	$ 343,074	$ 54,190		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

CAREER AND POSTSECONDARY EDUCATION FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ -	$ -	$ 36,000	$ (36,000)
Transfer from Supplemental General Fund	85,000	118,104	85,000	33,104
Other revenue local source	-	-	10,000	(10,000)
Total Receipts	85,000	118,104	$ 131,000	$ (12,896)
Expenditures:				
Instruction -				
Certified salaries	94,702	99,229	$ 110,000	$ (10,771)
Social Security	5,791	6,504	6,000	504
Supplies	16,679	18,234	25,453	(7,219)
Total Expenditures	117,172	123,967	$ 141,453	$ (17,486)
Receipts Over (Under) Expenditures	(32,172)	(5,863)		
Unencumbered Cash, Beginning	42,625	10,453		
Prior Year Cancelled Encumbrances	-	227		
Unencumbered Cash, Ending	$ 10,453	$ 4,817		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 505,903	$ 547,997	$ 601,012	$ (53,015)
Expenditures:				
Employee Benefits -				
Instruction	328,837	356,198	$ 391,012	$ (34,814)
Student Support Services	10,118	10,960	15,000	(4,040)
Instruction Support Staff	25,295	27,400	30,000	(2,600)
General Administration	25,295	27,400	30,000	(2,600)
School Administration	40,472	43,840	45,000	(1,160)
Operations and Maintenance	35,413	38,360	40,000	(1,640)
Student Transportation Services	25,295	27,400	30,000	(2,600)
Food Service Operation	15,178	16,439	20,000	(3,561)
Total Expenditures	505,903	547,997	$ 601,012	$ (53,015)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

CONTINGENCY RESERVE FUND

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 Actual	2022 Actual
Receipts:		
Transfer from General Fund	$ -	$ -
Expenditures:		
Purchased professional services	26,734	-
Receipts Over (Under) Expenditures	(26,734)	-
Unencumbered Cash, Beginning	148,705	121,971
Prior Year Cancelled Encumbrances	-	16,893
Unencumbered Cash, Ending	$ 121,971	$ 138,864

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

TEXTBOOK/STUDENT MATERIAL REVOLVING FUND

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 Actual	2022 Actual
Receipts:		
Student fees and materials	$ 30,950	$ 29,473
Expenditures:		
Instruction -		
Textbooks	20,889	7,559
Supplies	3,099	9,115
Miscellaneous	-	4,204
Total Expenditures	23,988	20,878
Receipts Over (Under) Expenditures	6,962	8,595
Unencumbered Cash, Beginning	54,668	61,630
Unencumbered Cash, Ending	$ 61,630	$ 70,225

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

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 Actual	2022 Actual
Receipts:		
Federal grant	$ 108,997	$ 109,610
Expenditures:		
Instruction -		
Certified salaries	96,419	77,699
Non-certified salaries	10,139	13,054
Social Security	11,097	10,199
Total Expenditures	117,655	100,952
Receipts Over (Under) Expenditures	(8,658)	8,658
Unencumbered Cash, Beginning	-	(8,658)
Unencumbered Cash, Ending	$ (8,658)	$ -

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

GRANTS FUND

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 Actual	2022 Actual
Receipts:		
Grants	$ 71,055	$ 24,310
Interest on idle funds	2,750	35,370
Total Receipts	73,805	59,680
Expenditures:		
Instruction -		
Miscellaneous	95,805	59,681
Receipts Over (Under) Expenditures	(22,000)	(1)
Unencumbered Cash, Beginning	44,326	22,326
Unencumbered Cash, Ending	$ 22,326	$ 22,325

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

ESSER FUND

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 Actual	2022 Actual
Receipts:		
Federal aid	$ 76,709	$ 271,301
Expenditures:		
Teacher Salary	76,709	157,418
Supplies	-	255,822
Total Expenditures	76,709	413,240
Receipts Over (Under) Expenditures	-	(141,939)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (141,939)

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

SPARK FUND

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 Actual	2022 Actual
Receipts:		
Federal aid	$ 206,041	$ -
Expenditures:		
Instruction -		
Property, equipment and supplies	206,041	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

RECREATION FUND

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 Actual	2022 Actual
Receipts:		
Fees	$ 2,080	$ 10,667
Sponsorships	-	14,330
Total Receipts:	2,080	24,997
Expenditures:		
Certified salaries	-	9,870
Supplies	795	2,962
Total Expenditures:	795	12,832
Receipts Over (Under) Expenditures	1,285	12,165
Unencumbered Cash, Beginning	-	1,285
Unencumbered Cash, Ending	$ 1,285	$ 13,450

Unified School District Number 408
Marion, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST FUND

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)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 246,699	$ 358,633	$ 334,450	$ 24,183
Delinquent tax	6,932	5,235	3,681	1,554
Motor vehicle tax	44,520	24,132	28,197	(4,065)
Recreational vehicle tax	1,351	6,927	568	6,359
Commercial vehicle tax	-	-	620	(620)
State aid	230,192	237,541	237,541	-
Other local source revenue	50,000	100,000	100,000	-
Total Receipts	579,694	732,468	$ 705,057	$ 27,411
Expenditures:				
Interest	77,550	55,650	$ 58,650	$ (3,000)
Principal	620,000	840,000	840,000	-
Total Expenditures	697,550	895,650	$ 898,650	$ (3,000)
Receipts Over (Under) Expenditures	(117,856)	(163,182)		
Unencumbered Cash, Beginning	1,070,707	952,851		
Unencumbered Cash, Ending	$ 952,851	$ 789,669		

Unified School District Number 408
Marion, Kansas

TRUST FUND

PIPPIN SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Interest on idle funds	$ 526	$ 527
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	26	27
Unencumbered Cash, Beginning	21,503	21,529
Unencumbered Cash, Ending	$ 21,529	$ 21,556

Unified School District Number 408
Marion, Kansas

TRUST FUND

DARROW SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Interest on idle funds	$ 184	$ 176
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	(316)	(324)
Unencumbered Cash, Beginning	7,836	7,520
Unencumbered Cash, Ending	$ 7,520	$ 7,196

Unified School District Number 408
Marion, Kansas

TRUST FUND

HETT SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Interest on idle funds	$ 406	$ 404
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	(94)	(96)
Unencumbered Cash, Beginning	16,705	16,611
Unencumbered Cash, Ending	$ 16,611	$ 16,515

Unified School District Number 408
Marion, Kansas

TRUST FUND

MHS ALUMNI SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Interest on idle funds	$ 176	$ 168
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	(324)	(332)
Unencumbered Cash, Beginning	7,517	7,193
Unencumbered Cash, Ending	$ 7,193	$ 6,861

Unified School District Number 408
Marion, Kansas

TRUST FUND

FRUECHTING MEMORIAL SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Interest on idle funds	$ 1,269	$ 1,250
Expenditures:		
Outgoing Transfers - Scholarships awarded	2,000	2,000
Receipts Over (Under) Expenditures	(731)	(750)
Unencumbered Cash, Beginning	52,604	51,873
Unencumbered Cash, Ending	$ 51,873	$ 51,123

Unified School District Number 408
Marion, Kansas

TRUST FUND

MHS COACHES SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Donations	$ 100	$ -
Interest on idle funds	369	317
Total Receipts	469	317
Expenditures:		
Scholarships awarded	2,300	2,500
Receipts Over (Under) Expenditures	(1,831)	(2,183)
Unencumbered Cash, Beginning	16,795	14,964
Unencumbered Cash, Ending	$ 14,964	$ 12,781

Unified School District Number 408
Marion, Kansas

TRUST FUND

NAVRAT SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Interest on idle funds	$ 5,832	$ 5,879
Expenditures:		
Scholarships awarded	4,000	4,000
Receipts Over (Under) Expenditures	1,832	1,879
Unencumbered Cash, Beginning	237,113	238,945
Unencumbered Cash, Ending	$ 238,945	$ 240,824

Unified School District Number 408
Marion, Kansas

TRUST FUND

WRESTLING SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Interest on idle funds	$ 7	$ 7
Expenditures:		
Scholarships awarded	250	-
Receipts Over (Under) Expenditures	(243)	7
Unencumbered Cash, Beginning	524	281
Unencumbered Cash, Ending	$ 281	$ 288

Unified School District Number 408
Marion, Kansas

TRUST FUND

JEFF HARRIS SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Donations	$ -	$ 2,500
Interest on idle funds	46	61
Total Receipts	46	2,561
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	(454)	2,061
Unencumbered Cash, Beginning	2,279	1,825
Unencumbered Cash, Ending	$ 1,825	$ 3,886

Unified School District Number 408
Marion, Kansas

TRUST FUND

CRAFT MEMORIAL SCHOLARSHIP FUND

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 Actual	2022 Actual
Receipts:		
Donations	$ -	$ 2,360
Interest on idle funds	-	9
Total Receipts	-	2,369
Expenditures:	-	-
Receipts Over (Under) Expenditures	-	2,369
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 2,369

Unified School District Number 408
Marion, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2022

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations:				
High School:				
Freshman	$ 250	$ 30	$ 250	$ 30
Sophomore	220	1,180	220	1,180
Junior	1,633	5,571	6,093	1,111
Senior	1,496	2,360	3,608	248
Business Class	2	-	-	2
Cheerleading	923	5,442	3,784	2,581
Dance	492	-	-	492
Drama	59	-	-	59
FCCLA	1,632	-	293	1,339
FBLA	952	584	604	932
Forensics	172	-	75	97
Future Farmers of America	5,981	19,217	19,420	5,778
FFA Garden	61	900	90	871
NHS	1,293	-	242	1,051
Band	467	201	134	534
Past Class	2,346	2,498	1,000	3,844
Student Council	2,174	3,742	3,374	2,542
Vocal music	2,682	1,951	3,275	1,358
Weightlifting	284	860	306	838
MAYB	-			-
Art Club	-	481	205	276
Key Club	1,054	2,461	1,666	1,849
Coffee Shop	940	325	290	975
Safe Team	25	-	-	25
Subtotal High School	25,138	47,803	44,929	28,012
Middle School:				
Student Council	887	370	112	1,145
Eighth grade trip	8,658	10,920	10,780	8,798
Subtotal Middle School	14,759	11,290	10,892	9,943
Total Student Organization Funds	39,897	59,093	55,821	37,955
Sales tax	21	3,848	3,869	-
Total Agency Funds	$ 39,918	$ 62,941	$ 59,690	$ 37,955

Unified School District Number 408
Marion, Kansas

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
Gate Receipts:						
High School Athletics	$ 5,077	$ 96,984	$ 101,248	$ 813	$ -	$ 813
Middle School Athletics	581	10,897	10,232	1,246	-	1,246
Total District Activity Funds	$ 5,658	$ 107,881	$ 111,480	$ 2,059	$ -	$ 2,059

SINGLE AUDIT SECTION

LOYD GROUP, LLC

520 S. Main Street
P.O. Box 7
Galva, KS 67443
620-654-7565
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
Unified School District 408
Marion, KS

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 financial statement of Unified School District Number 408, Kansas, (District) as of and for the year ended June 30, 2022, and the related notes to the financial statement which collectively comprise the District's basic financial statement, and have issued our report thereon dated September 6, 2022.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
September 6, 2022

LOYD GROUP, LLC

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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 408
Marion, KS

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District Number 408's (the 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 (GAAS); the *Kansas Municipal Audit and Accounting Guide;* 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.

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.

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.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
September 6, 2022

Unified School District Number 408
Marion, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing	Grant Number	Disbursements/ Expenditures
U.S. Department of Education			
Passed Through State Department of Education			
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	DO408	$ 411,857
Title I Grants to Local Educational Agencies	84.010	DO408	70,775
Supporting Effective Instruction State Grants	84.367	DO408	16,359
Student Support an Academic Enrichment Program	84.424	DO408	13,818
TOTAL U.S. DEPARTMENT OF EDUCATION			512,809
U.S. Department of Health and Human Services			
Passed Through State Department of Education			
COVID-19 ELC Grant	93.323	DO408	12,856
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			12,856
U.S. Department of Agriculture			
Passed Through State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	DO408	69,866
National School Lunch Program	10.555	DO408	277,418
Summer Food Service Program for Children	10.559	DO408	15,441
Total Child Nutrition Cluster			362,725
COVID-19 State Pandemic Electronic Benefit			
Transfer Administrative Costs Grant	10.649	DO408	614
Fresh Fruit and Vegetable	10.582	DO408	8,254
TOTAL U.S. DEPARTMENT OF AGRICULTURE			371,593
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			$ 897,258

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Unified School District Number 408, Marion Kansas (the District), under programs of the federal government for the year ended June 30, 2022. The information in the 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, changes in net position, or cash flows 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.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT.)

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the regulatory basis of accounting. 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.

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

Note 3 - Funds Expended

Funds where Federal expenditures were receipted and expended:

Food Service Fund	$	371,593
General Fund		11,473
Title I Fund		100,952
Elementary and Secondary School Emergency Relief Fund		413,240
Total	$	897,258

Unified School District Number 408
Marion, Kansas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

Section 1 – Summary of Auditor's Results

Financial Statements

1. Type of auditor's opinion issued on whether the financial statement audited were prepared in accordance with GAAP:	Adverse
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	No
3. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	No
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of major programs:	

Name of Federal Program or Cluster	CFDA Number
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D

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

Section 2 – Findings – Financial Statement Audit

No matters were reported.

Section 3 – Findings and Questioned Costs – Major Federal Award Programs

No matters were reported.