

**SOUTHEAST KANSAS EDUCATION
SERVICE CENTER**
Girard, Kansas

Independent Auditors' Reports and
Financial Statement with
Supplementary Information

For the Fiscal Year Ended June 30, 2022

**SOUTHEAST KANSAS EDUCATION
SERVICE CENTER**
Girard, Kansas

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Education
Interlocal No. 609
Southeast Kansas Education Service Center
Girard, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Interlocal No. 609, Southeast Kansas Education Service Center, Girard, Kansas, a municipality, 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 standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

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

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 Interlocal No. 609, Southeast Kansas Education Service Center'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.

Other Matters*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 combining schedule of regulatory basis receipts, expenditures, and unencumbered cash (Pages 18-33) are presented for 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. 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 January 20, 2023, on our consideration of the Interlocal No. 609, Southeast Kansas Education Service Center'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 Interlocal No. 609, Southeast Kansas Education Service Center'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 Interlocal No. 609, Southeast Kansas Education Service Center's internal control over financial reporting and compliance



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
January 20, 2023

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

Funds	Beginning	Prior Year		Receipts	Expenditures	Ending	Plus		Ending
	Unencumbered Cash Balances	Encumbrances	Canceled Encumbrances			Unencumbered Cash Balances	Encumbrances and Accounts Payable	Cash Balances June 30, 2022	
SPECIAL REVENUE									
Administration (01)	\$ 7,937.32	\$ -	-	\$ 1,422,491.80	\$ 1,400,365.63	\$ 30,063.49	\$ 8,453.96	\$	\$ 38,517.45
EANS Private School Funds (05)	-	-	-	2,182,025.70	2,182,025.70	-	174,847.22		174,847.22
General Fund (06)	-	-	-	2,356,452.47	2,356,452.47	-	509,844.11		509,844.11
Administrative Services (08)	-	-	-	266,363.80	230,338.89	36,024.91	828.03		36,852.94
Early Childhood Staff Development (10)	-	143.00	-	151,083.63	151,226.63	-	-		-
IEP Digital Development (12)	-	-	-	474,759.66	474,759.66	-	-		-
Consortium Accounts (14)	710,148.81	-	-	1,064,606.14	957,741.46	817,013.49	102.69		29,965.32
Volume Purchasing For School (17)	9,358.90	-	-	-	9,358.90	-	-		817,116.18
Capital Project Fund (19)	103,726.44	-	-	376,672.00	116,850.89	363,547.55	2,925.64		366,473.19
Lawrence Office (20)	32,279.05	-	-	83,616.48	87,143.62	28,751.91	2,417.82		31,169.73
Dolly Parton Books (21)	102,629.32	-	-	-	37,832.63	64,796.69	-		64,796.69
Science Center Grants (23)	-	-	-	9,000.00	846.45	8,153.55	173.84		8,327.39
Risk Management Fund (24)	654,540.65	-	-	-	420.00	654,120.65	-		654,120.65
Early Childhood Development (25)	559,501.44	-	-	627,071.80	357,382.75	829,190.49	3,826.00		833,016.49
Special Projects - Transfers (27)	139,945.04	-	-	-	-	139,945.04	-		139,945.04
Carl Perkins Program Improv. FY22 (28)	-	-	-	506,837.00	506,837.00	-	-		-
Greenbush Connect (29)	464,425.72	129.94	-	1,135,631.60	1,057,985.33	542,201.93	6,178.97		548,380.90
Low Incidence (30)	1,351,406.11	407.93	-	2,720,266.68	2,410,180.98	1,661,899.74	3,469.52		1,665,369.26
Reserve for Office Supplies (31)	851,061.40	20,140.60	-	761,660.53	1,308,493.50	324,369.03	35,557.92		359,926.95
Fleet Services (32)	527,728.35	-	-	107,481.52	115,583.03	519,626.84	525.00		520,151.84
Employee Benefits (33)	258.98	-	-	204,572.43	204,124.55	706.86	73.00		779.86
LimeLight Projects (34)	-	-	-	276,493.89	276,493.89	-	-		-
Ed Tech Services (35)	40,916.61	-	-	136,675.00	113,436.77	64,154.84	-		64,154.84
Facilities/Grounds Upkeep (36)	5,891.32	39.99	-	263,720.94	269,652.25	-	6,608.50		6,608.50
Technology Licenses (38)	-	-	-	323,000.00	322,260.78	739.22	331.75		1,070.97
STEM (39)	10,000.00	-	-	-	10,000.00	-	-		-

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

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER
Girard, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balances	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2022
Carl Perkins Program Improv. FY21 (42)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Resource Center (44)	7,080.58	-	141,390.82	145,707.57	2,763.83	100.80	2,864.63
ESSER I SPED (45)	-	-	298,660.68	298,660.68	-	-	-
Academy North (46)	176,153.08	-	41,200.00	130,141.55	87,211.53	175.00	87,386.53
Grant Evaluation (47)	357,571.31	698.93	117,030.29	118,997.51	356,303.02	58.32	356,361.34
S3 Technical Assistance (50)	26,324.55	-	-	6,656.85	19,667.70	-	19,667.70
Director of Special Ed Serv-ESC (51)	364,470.76	-	1,438,670.22	1,095,028.78	708,112.20	1,161.64	709,273.84
Blended Learning (53)	-	-	535,145.64	535,145.64	-	175.00	175.00
Title VI - B IDEAS PSH (54)	-	-	18,470.00	18,470.00	-	-	-
Gifted Education Program (56)	59,468.60	-	266,633.34	290,882.50	35,219.44	-	35,219.44
Russell Child Development Ctr (61)	-	-	3,863,884.81	3,863,884.81	-	768.32	768.32
SPS Special Projects (63)	378,067.55	-	-	75,000.00	303,067.55	-	303,067.55
Instructional Coaches (64)	81,000.00	-	234,856.54	292,916.57	22,939.97	159.04	23,099.01
Fairfax Learning Center (69)	-	-	5,350.00	1,057.53	4,292.47	-	4,292.47
Neosho Cabin Project (70)	29,394.86	-	23,353.07	52,747.93	-	-	-
Title III-A English Lang-LCP (71)	-	-	81,387.00	81,387.00	-	2,000.00	2,000.00
Educate Kansas (73)	-	-	355,935.10	355,935.10	-	1,755.00	1,755.00
Leavenworth Cty Infant Toddler (74)	361,337.33	50.68	696,199.43	586,497.68	471,089.76	4,932.42	476,022.18
MEICHV (80)	-	-	199,302.53	199,302.53	-	-	-
Sunflower Summer (83)	-	-	1,773,661.75	1,773,661.75	-	-	-
Title IVA (84)	-	-	60,186.00	60,186.00	-	-	-
Kansas Leads (88)	-	-	36,044.22	36,044.22	-	-	-
MEICHV (90)	-	-	275,191.40	275,191.40	-	2,890.24	2,890.24
Project P.L.U.S. (91)	721,423.93	83.41	1,234,599.28	1,138,583.18	817,523.44	5,886.16	823,409.60
Specialized Learning Services (93)	435,311.62	-	666,595.49	481,525.13	620,381.98	4,791.72	625,173.70
Reach Preschool - Cowley Co. (95)	296,491.79	2,495.00	455,163.77	427,145.97	327,004.59	402.18	327,406.77
Crawford Co. Learning Center (A1)	239,931.93	-	-	239,931.93	-	-	-
C & T Education - Administration (A4)	159,136.40	-	2,750.00	130.00	161,756.40	-	161,756.40

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INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER
Girard, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balances	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2022
A/W Contracted (A9)	\$ -	\$ -	\$ 477,844.13	\$ 477,844.13	\$ -	\$ -	\$ -
Partnership Companies (B1)	344,137.86	22,085.97	889,909.39	835,813.66	420,319.56	-	420,319.56
Consulting Work For LTI (B4)	-	-	1,559,632.34	1,559,632.34	-	-	-
Academy South (B5)	247,717.78	-	25,500.00	23,711.58	249,506.20	-	249,506.20
Environmental Comp. Consortium (B7)	712,029.16	115.00	157,817.62	132,277.11	737,684.67	68.93	737,753.60
MACS Division (BB)	108,113.07	0.99	941,860.91	1,049,974.97	-	2,216.90	2,216.90
Contracted Technology Services (C3)	-	24,558.53	1,739,957.26	1,764,515.79	-	6,858.73	6,858.73
KDOC Cabins (C4)	184,777.59	-	-	184,777.59	-	-	-
Crisis Intervention (C6)	86,524.17	-	-	86,524.17	-	-	-
CTE Grant (C7)	-	-	152,653.98	152,653.98	-	-	-
Special Ed - Audiologist (C9)	97,664.71	-	491,569.92	487,904.77	101,329.86	1,969.89	103,299.75
Crisis Response (CR)	-	11,374.10	81,126.06	92,500.16	-	2,427.80	2,427.80
Cooperative Purchasing (D2)	730,631.91	8,390.20	2,832,260.37	2,748,700.33	822,582.15	12,613.52	835,195.67
Education Association (D3)	-	0.74	211,905.36	211,906.10	-	1,798.48	1,798.48
ESC Staff Dvlpmnt. Consortium (D4)	666,099.67	-	260,068.47	241,011.21	685,156.93	-	685,156.93
Special Ed. Leadership (D9)	95,169.30	-	-	-	95,169.30	-	95,169.30
Project Alternative (E1)	234,740.81	200.00	-	234,940.81	-	-	-
Special Purpose School PSH (E4)	123,959.21	1,586.15	722,846.40	704,666.84	143,724.92	-	143,724.92
McCune Day School (E5)	-	551.51	38,590.63	39,142.14	-	-	-
Johnson County ICC (F1)	-	1,988.64	5,184,695.09	5,186,683.73	-	9,161.92	9,161.92
Bringing Pathways (F5)	63,750.00	-	18,950.00	82,700.00	-	-	-
Spectra - Third Party Payment (J1)	-	-	381,178.12	381,178.12	-	-	-
Infant Toddler Project (K2)	29,215.29	-	2,433,001.52	2,382,949.72	79,267.09	3,510.72	82,777.81
Parents as Teachers (K3)	11,840.00	-	212,632.89	2,657.48	221,815.41	29.50	221,844.91
Cloud/Republic ICC (K4)	189,355.05	-	542,607.87	485,036.05	246,926.87	-	246,926.87
TARC (L5)	51,584.25	45.92	2,308,270.27	2,359,900.44	-	1,272.60	1,272.60
Student Enrichment Lawrence (L7)	-	-	10,795.83	10,795.83	-	1,144.79	1,144.79
Transportation Consortium (L9)	300,385.99	-	33,912.12	14,037.02	320,261.09	2,329.24	322,590.33

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

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER
Girard, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balances	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2022
Student Enrichment (N2)	\$ -	\$ 502.99	\$ 1,567,565.31	\$ 1,568,068.30	\$ -	\$ 20,713.45	\$ 20,713.45
In House Technology Services (N4)	-	7,639.17	638,425.31	646,064.48	-	631.05	631.05
Staff Development Services (N7)	371,008.78	-	1,966,104.38	1,468,700.68	868,412.48	39,617.15	908,029.63
Tech Integration (N9)	-	-	128,708.91	128,708.91	-	-	-
Bonner Springs CLC (P1)	205,026.32	-	4,350.00	209,376.32	-	-	-
Professional Development (P7)	16,653.00	-	-	16,653.00	-	-	-
Educate Kansas Marketing (PC)	-	-	38,208.92	38,208.92	-	-	-
Health Trust Adm. (PK)	521,477.59	36,533.46	1,349,637.88	1,385,730.98	521,917.95	91,279.07	22,607.00
ECK Academy (PN)	-	1,909.06	502,185.68	504,094.74	-	23.76	613,197.02
Parents as Teachers (Q2)	148,200.00	-	1,009,023.00	1,157,223.00	-	4,179.50	23.76
Drop-out Recovery Administration (R1)	560,042.60	39,839.00	1,189,045.24	806,309.27	982,617.57	-	4,179.50
Migrant Operating Fund (R5)	156,338.16	-	750.00	2,276.42	154,811.74	-	982,617.57
Girard JDC Title I N&D (R6)	-	-	-	-	-	-	154,811.74
Juvenile Detention Center - Girard (R8)	-	-	126,199.01	126,199.01	-	-	-
Rainbow United (RB)	120,678.77	-	2,245,422.36	2,366,101.13	-	-	-
500 Reach CLC Kansas City, KS (RK)	469,050.93	290.90	5,600.00	474,941.83	-	-	-
Cornerstone (RN)	-	200.00	199,788.48	199,988.48	-	-	-
Lyndon CLC (S3)	-	-	277,681.35	277,681.35	-	-	-
Geary Co Learning Ctr CLC (S4)	12,146.50	-	350.00	12,496.50	0.00	-	0.00
Greenbush Virtual Academy (S7)	58,588.50	-	3,632,517.65	3,078,593.45	612,512.70	16,013.00	628,525.70
Quest CLC (SB)	10,758.76	430.02	-	11,188.78	-	-	-
KDOC Ed Services (T1)	-	-	191,584.56	191,584.56	-	-	-
PSU/Credit (TG)	1,371.56	-	118,886.94	120,258.50	-	-	-
Activity Funds (TZ)	149,789.68	-	4,731.57	145,724.30	8,796.95	-	8,796.95
Special Account Flow Through (WW)	-	-	56,459.38	56,459.38	-	-	-
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 16,343,746.72	\$ 182,431.83	\$ 65,234,956.93	\$ 64,465,681.93	\$ 17,295,453.55	\$ 1,051,852.13	\$ 18,347,305.68

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

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER
 Girard, Kansas

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
 Regulatory Basis
 For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balances	Prior Year Canceled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2022
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 16,343,746.72	\$ 182,431.83	\$ 65,234,956.93	\$ 64,465,681.93	\$ 17,295,453.55	\$ 1,051,852.13	\$ 18,347,305.68
Composition of Cash							
							\$ 14,614,946.81
							1,500.00
							3,600,023.02
							130,835.85
							18,347,305.68
							-
							\$ 18,347,305.68

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

**SOUTHEAST KANSAS EDUCATION
SERVICE CENTER**
Girard, Kansas

Notes to the Financial Statement
For the Fiscal Year Ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of Southeast Kansas Education Service Center, Girard, Kansas (the Center), have been prepared in order to show compliance with the cash basis laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Center's accounting policies follow. Note 1 describes how the Center's accounting policies differ from accounting principles generally accepted in the United States of America.

Financial Reporting Entity

The Center is an Interlocal agency organized pursuant to K.S.A. 72-8230 and is governed by an appointed five-member board. The Center is an Interlocal and formed as the result of an agreement pursuant to the provision of K.S.A. 12-2901 et seq. The agreement is between four unified school districts and a community college to work together for the mutual benefit of the children they serve and to form a separate legal entity known as Southeast Kansas Education Service Center. The purpose of the educational service center is to provide cooperatively educational services in the area of special education, vocational education, career education, media services, curriculum development and in-service training for staff programs, administrative services, and any other purpose authorized by law, and to meet the provisions for special education as required by the Kansas legislature.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the Center exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the Center. Related municipal entities are not required to be included in the Center's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related entities:

Learning Tree Institute - The Learning Tree Institute at Greenbush is a Kansas Not-for-Profit Corporation exempt from income tax under Internal Revenue Service Code Section 501(c)(3) and serves as a supporting organization of the Southeast Kansas Education Service Center. The Center prepares their financial statements in accordance with regulatory basis as noted in Note 1, and based on provisions of the Kansas Municipal Audit and Accounting Guide, do not recognize component units. As a non-profit organization, Learning Tree Institute at Greenbush does not meet the definition of a related municipal entity nor part of the municipality. Therefore, the financial statements of the Learning Tree Institute at Greenbush are not included in this financial statement, but were audited and reported on separately.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types

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, for the year ended June 30, 2020:

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

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

Basis of Presentation – Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis 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 municipality 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 municipality to use the regulatory basis of accounting.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as revenues. In the financial statement and budget comparison schedules presented in this report, reimbursements and refunds are recorded as revenues. The reimbursements are recorded as cash receipts when received by the Center Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Pension Plan

Substantially all full-time Center employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. The Center's policy is that they are responsible for the employer's portion of the cost for retired Center employees.

2. **STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Compliance with Kansas Statutes

All budgets are prepared for internal use only, therefore, expenditures exceeding budgeted amounts do not constitute a violation in accordance with Kansas statutes.

Statement 1 has been prepared in order to show compliance with the cash basis laws of Kansas. As shown in Statement 1, the Center was in apparent compliance with the cash basis laws of the State of Kansas

Management is not aware of any other violations of Kansas Statutes or violations of other finance related matters for the year ended June 30, 2022.

3. **DEPOSITS AND INVESTMENTS**

As of June 30, 2022, the Center has the following investments.

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Rating</u>
Kansas Investment Pool			
Less than one year maturity	\$ 130,835.85	\$ 130,835.85	S&P AAaf/S1+
Total Investments	<u>\$ 130,835.85</u>	<u>\$ 130,835.85</u>	

Deposits

K.S.A 9-1401 establishes the depositories which may be used by the Center. The statute requires banks eligible to hold the Center's funds have a main branch or branch bank in the county in which the Center 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 Center has no other policies that would further limit interest rate risk.

K.S.A 12-1675 limits the Center'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 Center has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Center may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The Center's allocation of investments as of June 30, 2022, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Kansas Municipal Investment Pool	100.00%

3. DEPOSITS AND INVESTMENTS (Continued)

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Center's deposits may not be returned to it. State statutes require the Center'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 Center's carrying amount of deposits was \$18,216,469.83, and the bank balance was \$21,162,466.17. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$1,251,411.85 was covered by FDIC insurance and \$19,911,054.32 was collateralized with securities held by the pledging financial institution's agents in the Center'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 Center will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2022, the Center has invested \$130,835.85 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4. DEFINED BENEFIT PENSION PLAN

Plan description. The Center 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.

4. DEFINED BENEFIT PENSION PLAN (Continued)

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% for the fiscal year ended June 30, 2022.

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired Center employees. The Center is responsible for the employer's portion of the cost for retired Center employees. The Center remitted amounts equal to the statutory contribution rate, which totaled \$71,437.38 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the Center's proportionate share of the collective net pension liability reported by KPERS was \$654,052.00. 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 Center's proportion of the net pension liability was based on the ratio of the Center's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

5. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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.

5. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Compensated Absences

Personal Leave – Staff members working at least 100 to 159 days per year shall be entitled to one day, 160 days to 219 days per year shall have 2 days, and 220 days to 261 days per year shall have 3 days. A day is defined as no less than 7 hours for this purpose.

Sick Leave – All employees working 1,004 hours or more per year are credited with a calculated amount of hours of sick leave per month worked. Sick leave hours are computed according to individual contract hours up to a maximum of 96 hours per year or 12 days. Sick leave is credited at the end of the pay period. To be eligible to earn sick leave for any month, employees must have worked or have had paid leave to cover at least ½ of their contracted working hours during the current pay period. Thus, employees in a given pay period having “without-pay” days may not earn a day of sick leave unless they have worked or been paid for at least ½ of their contract during the month.

Vacations – Employees at special school sites will follow the vacation schedule specified in their local site calendars. Personnel employed in the Greenbush central office on a 12-month basis shall be granted 10 working days of vacation each year. After eight years of employment, the 10 days shall be increased to 15 days. Vacation days may accumulate up to 20 days but anything not taken that results in a balance greater than 20 days will be lost.

Part-time and temporary employees are not eligible for vacation pay. Employees qualified to earn vacation leave shall be paid for accrued vacation time at the employee’s regular daily rate of pay upon ceasing employment with the Center.

An employee who moves from full time employment to party time (i.e. less than 32 hours per week), and who has accrued earned vacation time, will not lost that time when reducing employment to part time. The individual will no longer earn vacation time but will be allowed to use the hours of vacation time previously accrued.

The Center accrues a liability for compensated absences which meet the following criteria:

- 1) The Center’s obligation relating to employees’ rights to receive compensation for future absences is attributed to employee’s services already rendered.
- 2) The obligation relates to rights that vest or accumulate.
- 3) Payment of the compensation is probable.
- 4) The amount can be reasonably estimated.

In accordance with the above criteria, the Center has estimated a liability for vacation pay, which has been earned, but not taken by Center employees of \$414,259.21. The Center has not accrued a liability for sick leave earned, but not taken, by Center employees, as the amounts cannot be reasonably estimated at this time.

Health Insurance

As provided by K.S.A. 12-5040, the Center allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the Center 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 these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government 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. The American Recovery and Reinvestment Act of 2009 (ARRA) reduces the COBRA premium for the eligible employees in some cases. There is no cost to the government under the COBRA programs.

6. RIGHT TO USE CONTRACTS

As of June 30, 2022, the Center has entered into a number of various contracts for copiers, rental of space and land. The expense for the year ended June 30, 2022, was \$281,102.25. Under the current agreements, listed below are the future obligations:

2022-2023	\$	249,322.74
2023-2024		79,585.88
2024-2025		72,743.88

7. RISK MANAGEMENT

The Center is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The Center manages these risks of loss through the purchase of various insurance policies.

8. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and state grantors. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Center expects such amounts, if any, to be immaterial.

9. INTERFUND TRANSFERS

Operating transfers to allocate expenditures between funds all allowable under K.S.A. 72-6478 were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Amount</u>
General Fund	Agency Administration	\$ 1,200,000.00
General Fund	Facilities/Grounds Upkeep	235,000.00
General Fund	Employee Benefits	63,000.00
General Fund	Tech Licenses	323,000.00
Reserve for Office Supplies	Capital Projects	100,000.00
McCune Day School	General Fund	26,819.54
Special Purpose School Parsons	McCune Day School	38,590.63
Project Alternative	General Fund	200.00
Project Alternative	IEP Digital Development	234,740.81
Volume Purchasing	General Fund	9,358.90
Activity Funds	General Fund	144,349.56
Professional Development	General Fund	16,653.00
Cooperative Purchasing	General Fund	325,000.00
Crisis Intervention	In House Tech	80,562.46
Crisis Intervention	Crisis Response	5,961.71
KDOC Cabins	Student Enrichment	184,777.59
SPS Special Projects	Student Enrichment	75,000.00
STEM	Student Enrichment	10,000.00
Crawford County Learning Ctr	Drop-Out Recover Admin	236,663.25
Bonner Springs Learning Ctr	Drop-Out Recover Admin	209,152.52

9. INTERFUND TRANSFERS (Continued)

Operating transfers to allocate expenditures between funds all allowable under K.S.A. 72-6478 were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Amount</u>
500 REACH Learning Ctr	Drop-Out Recover Admin	\$ 474,709.59
Geary County Learning Ctr	Drop-Out Recover Admin	12,413.16
Quest Learning Ctr	Drop-Out Recover Admin	11,177.58
Drop-Out Recovery Admin	Cornerstone Learning Ctr	199,788.48
Drop-Out Recovery Admin	Lyndon Learning Ctr	277,681.35
KDOC Admin Ed Serviced	In House Tech	2,222.90
Partnership Companies	Limelight Projects	200,000.00
EANS Private School Grant	Consortium Accounts	517,699.51
General Fund	Consortium Accounts	535,452.47
Russell Child Development Ctr	Early Childhood Development	267,667.96
Miechv FY21	Early Childhood Development	80,513.79
Juvenile Detention Center	Early Childhood Development	52,284.30
IEP Digital Development	Director of Sped Services	289,846.98
Limelight Projects	Director of Sped Services	261,193.89
KDOC Admin Ed Serviced	Director of Sped Services	184,039.58
Contracted Tech	Cooperative Purchasing	1,092,992.38
CTE Grant	Cooperative Purchasing	126,650.64
Crisis Response	Cooperative Purchasing	147.20
Education Association	Cooperative Purchasing	251.05
McCune Day School	Cooperative Purchasing	3,670.35
Admin Services Training	Staff Development Services	28,894.29
Technology Licenses	Staff Development Services	149,455.36
A/W Contracted Services Topeka	Staff Development Services	64,891.78
In House Tech	Staff Development Services	387,150.56
Johnson County Infant Toddler	Health Trust Admin	65,674.64
Student Enrichment	Health Trust Admin	619,013.45
Tech Learning Services	Health Trust Admin	25,676.27
Blended Learning	Drop-Out Recover Admin	193,617.52
Kansas Education Employment	Drop-Out Recover Admin	54,073.46
Cornerstone Learning Ctr	Drop-Out Recover Admin	199,988.48
Lyndon Learning Ctr	Drop-Out Recover Admin	274,061.92
Consortium Accounts	Sunflower Summer	946,146.75
Early Childhood Development	Russell Child Development	241,488.53
Early Childhood Development	Miechv Development Grant	95,674.01
Reserve for Office Supplies	General Fund	513,595.42
Reserve for Office Supplies	Neosho Cabin Project	23,353.07
Reserve for Office Supplies	Mgmt Accounting Computer Software	241,742.41
Director of Sped Services	IEP Digital Development	194,529.85
Director of Sped Services	Limelight Projects	76,325.59
Director of Sped Services	Activity Funds	26,452.28
Cooperative Purchasing	EANS Private School Grant	182,025.70
Cooperative Purchasing	Contracted Tech	1,376,209.57
Cooperative Purchasing	Education Association	85,687.98
Cooperative Purchasing	PSU Credit	723.44
Staff Development Services	Early Childhood Development	41,366.24
Staff Development Services	Facilities/Grounds Upkeep	28,720.94
Staff Development Services	A/W Contracted Services Topeka	71,889.19

9. INTERFUND TRANSFERS (Continued)

Operating transfers to allocate expenditures between funds all allowable under K.S.A. 72-6478 were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Amount</u>
Health Trust Admin	Student Enrichment	\$ 861,601.16
Drop-Out Recovery Admin	Blended Learning	185,719.86
Drop-Out Recovery Admin	Kansas Education Employment Board	73,334.96
Drop-Out Recovery Admin	Kansas Leads	16,544.22
Drop-Out Recovery Admin	Johnson County Infant Toddler	147,598.66
Drop-Out Recovery Admin	TARC	112,789.75
Drop-Out Recovery Admin	Student Enrichment - Lawrence	10,795.83
Drop-Out Recovery Admin	Tech Learning Services	35,251.01
Drop-Out Recovery Admin	Kansas Ed Marketing	38,208.92
Drop-Out Recovery Admin	East Central Kansas Academy	118,542.07
Drop-Out Recovery Admin	Juvenile Detention Center	52,924.34

10. CONTINGENCIES

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 risk 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 Center’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 Center is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2022. Our results of operations for full year 2023 may be materially adversely affected.

11. SUBSEQUENT EVENTS

The Center evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statement. Additionally, there were no nonrecognized subsequent events requiring disclosure..

SUPPLEMENTARY INFORMATION

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	AGENCY ADMINISTRATION (001)	EANS PRIVATE SCHOOL FUNDS (005)	GENERAL FUND (006)	ADMINISTRA-TIVE SERVICES (008)	EARLY CHILDHOOD STAFF DEVELOPMENT (010)	IEP DIGITAL DEVELOPMENT (012)	CONSORTIUM ACCOUNTS (014)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 222,360.55	\$ -	\$ 42,152.79	\$ 266,363.80	\$ 12,730.00	\$ 4,500.00	\$ -
Intercompany fees	-	-	1,216,307.80	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	22,150.45	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	2,000,000.00	39,865.01	-	-	40,989.00	11,454.16
Federal Grants/Contracts/Aid	131.25	-	-	-	96,987.39	-	-
Transfers	1,200,000.00	182,025.70	1,035,976.42	-	41,366.24	429,270.66	1,053,151.98
TOTAL RECEIPTS AND TRANSFERS	1,422,491.80	2,182,025.70	2,356,452.47	266,363.80	151,083.63	474,759.66	1,064,606.14
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	1,664,326.19	-	-	-	-	-
Student Support Services 2100	-	-	-	-	-	-	-
Instructional Support Services 2200	-	-	-	-	151,226.63	-	3,485.75
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	137,403.30	-	-	-	-	-	-
Central Services 2500	60,097.92	-	-	-	-	-	-
Operations and Maintenance 2600	1,200,568.70	-	-	201,444.60	-	-	8,108.96
Transportation 2700	2,295.71	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	184,912.68	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	517,699.51	2,356,452.47	28,894.29	-	289,846.98	946,146.75
TOTAL EXPENDITURES AND TRANSFERS	1,400,365.63	2,182,025.70	2,356,452.47	230,338.89	151,226.63	474,759.66	957,741.46
Receipts Over (Under) Expenditures	22,126.17	-	-	36,024.91	(143.00)	-	106,864.68
UNENCUMBERED CASH, July 1,	7,937.32	-	-	-	-	-	710,148.81
Cancellation of Prior Year Encumb.	-	-	-	-	143.00	-	-
UNENCUMBERED CASH, June 30	\$ 30,063.49	\$ -	\$ -	\$ 36,024.91	\$ -	\$ -	\$ 817,013.49

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	VOLUME PURCHASING FOR SCHOOL (017)	CAPITAL PROJECT FUND (019)	LAWRENCE OFFICE (020)	DOLLY PARTON LINK (021)	SCIENCE CENTER GRANTS (023)	RISK MANAGMENT FUND (024)	EARLY CHILDHOOD DEV (025)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ -	\$ 276,672.00	\$ 83,616.48	-	\$ 9,000.00	\$ -	\$ 226,605.75
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	-	-	-	-	-
Federal Grants/Contracts/Aid	-	-	-	-	-	-	-
Transfers	-	100,000.00	-	-	-	-	400,466.05
TOTAL RECEIPTS AND TRANSFERS	-	376,672.00	83,616.48	-	9,000.00	-	627,071.80
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	-	-	-	-	-	-
Student Support Services 2100	-	-	-	37,832.63	-	-	-
Instructional Support Services 2200	-	-	-	-	846.45	-	20,220.21
General Administration 2300	-	-	-	-	-	420.00	-
School Administration 2400	-	-	-	-	-	-	-
Central Services 2500	-	-	87,143.62	-	-	-	-
Operations and Maintenance 2600	-	11,856.35	-	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	104,994.54	-	-	-	-	-
Transfers	9,358.90	-	-	-	-	-	337,162.54
TOTAL EXPENDITURES AND TRANSFERS	9,358.90	116,850.89	87,143.62	37,832.63	846.45	420.00	357,382.75
Receipts Over (Under) Expenditures	(9,358.90)	259,821.11	(3,527.14)	(37,832.63)	8,153.55	(420.00)	269,689.05
UNENCUMBERED CASH, July 1,	9,358.90	103,726.44	32,279.05	102,629.32	-	654,540.65	559,501.44
Cancellation of Prior Year Encumb.	-	-	-	-	-	-	-
UNENCUMBERED CASH, June 30	\$ -	\$ 363,547.55	\$ 28,751.91	\$ 64,796.69	\$ 8,153.55	\$ 654,120.65	\$ 829,190.49

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	SPECIAL PROJECTS - TRANSFERS (027)	CARL PERKINS PROG IMP FY22 (028)	GREENBUSH CONNECT (029)	LOW INCIDENCE (030)	RESERVE FOR OFFICE SUPPLIES (031)	FLEET SERVICES (032)	EMPLOYEE BENEFITS (033)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ -	\$ -	\$ 666,244.74	\$ 1,470,538.56	\$ 761,660.53	\$ 107,481.52	\$ 141,572.43
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	469,386.86	1,249,728.12	-	-	-
Federal Grants/Contracts/Aid	-	506,837.00	-	-	-	-	-
Transfers	-	-	-	-	-	-	63,000.00
TOTAL RECEIPTS AND TRANSFERS	-	506,837.00	1,135,631.60	2,720,266.68	761,660.53	107,481.52	204,572.43
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	-	-	2,410,180.98	429,802.60	-	-
Student Support Services 2100	-	-	1,057,985.33	-	-	-	204,124.55
Instructional Support Services 2200	-	506,837.00	-	-	-	-	-
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	-	-	-	66,097.00	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	-	-	-	49,486.03	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	-	-	-	878,690.90	-	-
TOTAL EXPENDITURES AND TRANSFERS	-	506,837.00	1,057,985.33	2,410,180.98	1,308,493.50	115,583.03	204,124.55
Receipts Over (Under) Expenditures	-	-	77,646.27	310,085.70	(546,832.97)	(8,101.51)	447.88
UNENCUMBERED CASH, July 1,	139,945.04	-	464,425.72	1,351,406.11	851,061.40	527,728.35	258.98
Cancellation of Prior Year Encumb.	-	-	129.94	407.93	20,140.60	-	-
UNENCUMBERED CASH, June 30	\$ 139,945.04	\$ -	\$ 542,201.93	\$ 1,661,899.74	\$ 324,369.03	\$ 519,626.84	\$ 706.86

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	LIMELIGHT PROJECTS (034)	ED TECH SERVICES (035)	FACILITIES/GROUND S UPKEEP (036)	TECHNOLOGY LICENSES (038)	STEM (039)	RESOURCE CENTER (044)	ESSER I - SPED (045)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 168.30	\$ 136,675.00	\$ -	\$ -	\$ -	\$ 141,390.82	\$ 17,079.68
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	-	-	-	-	-
Federal Grants/Contracts/Aid	-	-	-	-	-	-	281,581.00
Transfers	276,325.59	-	263,720.94	323,000.00	-	-	-
TOTAL RECEIPTS AND TRANSFERS	276,493.89	136,675.00	263,720.94	323,000.00	-	141,390.82	298,660.68
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	113,436.77	-	-	-	145,707.57	-
Student Support Services 2100	-	-	-	-	-	-	298,660.68
Instructional Support Services 2200	-	-	-	172,805.42	-	-	-
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	-	-	-	-	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	269,652.25	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	15,300.00	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	261,193.89	-	-	149,455.36	10,000.00	-	-
TOTAL EXPENDITURES AND TRANSFERS	276,493.89	113,436.77	269,652.25	322,260.78	10,000.00	145,707.57	298,660.68
Receipts Over (Under) Expenditures	-	23,238.23	(5,931.31)	739.22	(10,000.00)	(4,316.75)	-
UNENCUMBERED CASH, July 1,	-	40,916.61	5,891.32	-	10,000.00	7,080.58	-
Cancellation of Prior Year Encumb.	-	-	39.99	-	-	-	-
UNENCUMBERED CASH, June 30	\$ -	\$ 64,154.84	\$ -	\$ 739.22	\$ -	\$ 2,763.83	\$ -

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	ACADEMY NORTH (046)	GRANT EVALUATIONS (047)	S3 TECHNICAL ASSISTANCE (050)	DIRECTOR OF SPED SERV-ESC (051)	BLENDED LEARNING (053)	TITLE VI-B IDEAS PSH (054)	GIFTED EDUCATION PROGRAM (056)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 41,200.00	\$ 117,030.29	-	\$ 467,472.13	\$ 349,425.78	-	\$ 155,000.00
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	-	236,117.64	-	-	111,633.34
Federal Grants/Contracts/Aid	-	-	-	-	-	18,470.00	-
Transfers	-	-	-	735,080.45	185,719.86	-	-
TOTAL RECEIPTS AND TRANSFERS	41,200.00	117,030.29	-	1,438,670.22	535,145.64	18,470.00	266,633.34
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	-	-	26,615.42	323,335.93	18,470.00	290,882.50
Student Support Services 2100	-	-	-	-	-	-	-
Instructional Support Services 2200	130,141.55	118,997.51	6,656.85	-	14,341.04	-	-
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	-	771,105.64	2,408.40	-	-
Central Services 2500	-	-	-	-	1,442.75	-	-
Operations and Maintenance 2600	-	-	-	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	-	-	297,307.72	193,617.52	-	-
TOTAL EXPENDITURES AND TRANSFERS	130,141.55	118,997.51	6,656.85	1,095,028.78	535,145.64	18,470.00	290,882.50
Receipts Over (Under) Expenditures	(88,941.55)	(1,967.22)	(6,656.85)	343,641.44	-	-	(24,249.16)
UNENCUMBERED CASH, July 1,	176,153.08	357,571.31	26,324.55	364,470.76	-	-	59,468.60
Cancellation of Prior Year Encumb.	-	698.93	-	-	-	-	-
UNENCUMBERED CASH, June 30	\$ 87,211.53	\$ 356,303.02	\$ 19,667.70	\$ 708,112.20	\$ -	\$ -	\$ 35,219.44

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	RUSSELL CHILD DEVELOPMENT CTR (061)	SPS SPECIAL PROJECTS (063)	INSTRUCTIONAL COACHES (064)	COMMUNICATIONS DEVELOPMENT (069)	NEOSHO CABIN PROJECT (070)	TITLE III-A ENGLISH LANG-LCP (071)	EDUCATE KANSAS (073)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 2,717,397.57	\$ -	\$ 234,856.54	\$ 5,350.00	\$ -	\$ -	\$ -
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	904,998.71	-	-	-	-	-	282,600.14
Federal Grants/Contracts/Aid	-	-	-	-	-	81,387.00	-
Transfers	241,488.53	-	-	-	23,353.07	-	73,334.96
TOTAL RECEIPTS AND TRANSFERS	3,863,884.81	-	234,856.54	5,350.00	23,353.07	81,387.00	355,935.10
EXPENDITURES AND TRANSFERS:							
Instruction 1000	3,596,216.85	-	292,916.57	1,057.53	52,747.93	-	-
Student Support Services 2100	-	-	-	-	-	81,387.00	-
Instructional Support Services 2200	-	-	-	-	-	-	301,861.64
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	-	-	-	-	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	-	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	267,667.96	75,000.00	-	-	-	-	54,073.46
TOTAL EXPENDITURES AND TRANSFERS	3,863,884.81	75,000.00	292,916.57	1,057.53	52,747.93	81,387.00	355,935.10
Receipts Over (Under) Expenditures	-	(75,000.00)	(58,060.03)	4,292.47	(29,394.86)	-	-
UNENCUMBERED CASH, July 1,	-	378,067.55	81,000.00	-	29,394.86	-	-
Cancellation of Prior Year Encumb.	-	-	-	-	-	-	-
UNENCUMBERED CASH, June 30	\$ -	\$ 303,067.55	\$ 22,939.97	\$ 4,292.47	\$ -	\$ -	\$ -

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	LEAVENWORTH CITY INFANT TODDLER (074)	MEICHV (080)	SUNFLOWER SUMMER (083)	TITLE IVA (084)	KANSAS LEADS (088)	MEICHV DEV GRANT FY22 (090)	PROJECT P.L.U.S. (091)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 114,461.52	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 831,195.80
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	503,425.39	199,302.53	-	-	-	-	403,403.48
Federal Grants/Contracts/Aid	78,312.52	-	827,515.00	60,186.00	19,500.00	179,517.39	-
Transfers	-	-	946,146.75	-	16,544.22	95,674.01	-
TOTAL RECEIPTS AND TRANSFERS	696,199.43	199,302.53	1,773,661.75	60,186.00	36,044.22	275,191.40	1,234,599.28
EXPENDITURES AND TRANSFERS:							
Instruction 1000	586,497.68	-	1,726,820.75	-	-	-	929,763.03
Student Support Services 2100	-	118,788.74	-	-	-	275,191.40	-
Instructional Support Services 2200	-	-	-	60,186.00	36,044.22	-	157,661.44
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	46,841.00	-	-	-	-
Central Services 2500	-	-	-	-	-	-	13,005.26
Operations and Maintenance 2600	-	-	-	-	-	-	34,424.21
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	3,729.24
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	80,513.79	-	-	-	-	-
TOTAL EXPENDITURES AND TRANSFERS	586,497.68	199,302.53	1,773,661.75	60,186.00	36,044.22	275,191.40	1,138,583.18
Receipts Over (Under) Expenditures	109,701.75	-	-	-	-	-	96,016.10
UNENCUMBERED CASH, July 1,	361,337.33	-	-	-	-	-	721,423.93
Cancellation of Prior Year Encumb.	50.68	-	-	-	-	-	83.41
UNENCUMBERED CASH, June 30	\$ 471,089.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 817,523.44

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	SPECIALIZED LEARNING SERVICES (093)	REACH PRESCHOOL - COWLEY CO (095)	CRAWFORD CO, LEARNING CTR-CLC (0A1)	C & T EDUCATION - ADMIN (0A4)	A/W CONTRACTED (0A9)	PARTNERSHIP COMPANIES (0B1)	CONSULTING WORK FOR LTI (0B4)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 440,711.93	\$ 79,882.20	\$ -	\$ 2,750.00	\$ 246,136.48	\$ 889,909.39	\$ 1,559,632.34
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	46,006.90	-	-	-	-	-
State Grants/Contracts/Aid	225,883.56	290,108.77	-	-	159,818.46	-	-
Federal Grants/Contracts/Aid	-	39,165.90	-	-	-	-	-
Transfers	-	-	-	-	71,889.19	-	-
TOTAL RECEIPTS AND TRANSFERS	666,595.49	455,163.77	-	2,750.00	477,844.13	889,909.39	1,559,632.34

EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	420,097.39	29.29	-	-	-	-
Student Support Services 2100	-	-	-	-	412,952.35	-	-
Instructional Support Services 2200	462,236.64	-	-	130.00	-	635,813.66	-
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	1,100.54	3,239.39	-	-	-	-
Central Services 2500	-	1,039.45	-	-	-	-	-
Operations and Maintenance 2600	-	-	-	-	-	-	-
Transportation 2700	19,288.49	1,560.72	-	-	-	-	-
Non-Instruction Services	-	3,347.87	-	-	-	-	1,559,632.34
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	-	236,663.25	-	64,891.78	200,000.00	-
TOTAL EXPENDITURES AND TRANSFERS	481,525.13	427,145.97	239,931.93	130.00	477,844.13	835,813.66	1,559,632.34

Receipts Over (Under) Expenditures	185,070.36	28,017.80	(239,931.93)	2,620.00	-	54,095.73	-
UNENCUMBERED CASH, July 1,	435,311.62	296,491.79	239,931.93	159,136.40	-	344,137.86	-
Cancellation of Prior Year Encumb.	-	2,495.00	-	-	-	22,085.97	-
UNENCUMBERED CASH, June 30	\$ 620,381.98	\$ 327,004.59	\$ -	\$ 161,756.40	\$ -	\$ 420,319.56	\$ -

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	ACADEMY SOUTH (0B5)	ENVIROMENTAL COMP. CONSOR (0B7)	MACS DIVISION (0BB)	CONTRACTED TECHNOLOGY SERVICES (0C3)	KDOC CABINS (0C4)	CRISIS INTERVENTION (0C6)	CTE GRANT (0C7)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 25,500.00	\$ 157,817.62	\$ 700,118.50	\$ 363,747.69	\$ -	-	-
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	-	-	-	-	-
Federal Grants/Contracts/Aid	-	-	241,742.41	1,376,209.57	-	-	152,653.98
Transfers	-	-	-	-	-	-	-
TOTAL RECEIPTS AND TRANSFERS	25,500.00	157,817.62	941,860.91	1,739,957.26	-	-	152,653.98
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	-	-	16,013.21	-	-	-
Student Support Services 2100	-	-	-	-	-	-	-
Instructional Support Services 2200	23,711.58	-	-	646,861.25	-	-	26,003.34
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	-	8,648.95	-	-	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	-	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	132,277.11	1,049,974.97	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	-	-	1,092,992.38	184,777.59	86,524.17	126,650.64
TOTAL EXPENDITURES AND TRANSFERS	23,711.58	132,277.11	1,049,974.97	1,764,515.79	184,777.59	86,524.17	152,653.98
Receipts Over (Under) Expenditures	1,788.42	25,540.51	(108,114.06)	(24,558.53)	(184,777.59)	(86,524.17)	-
UNENCUMBERED CASH, July 1,	247,717.78	712,029.16	108,113.07	-	184,777.59	86,524.17	-
Cancellation of Prior Year Encumb.	-	115.00	0.99	24,558.53	-	-	-
UNENCUMBERED CASH, June 30	\$ 249,506.20	\$ 737,684.67	\$ -	\$ -	\$ -	\$ -	\$ -

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	SPECIAL ED - AUDIOLOGIST (0C9)	CRISIS RESPONSE (0CR)	COOPERATIVE PURCHASING (0D2)	EDUCATION ASSOCIATION (0D3)	ESC STAFF DEVELOPMENT CONSORTIUM (0D4)	SPECIAL ED. LEADERSHIP (0D9)	PROJECT ALTERNATIVE (0E1)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 293,779.25	\$ 59,768.75	\$ 1,608,548.75	\$ 115,836.13	\$ 260,068.47	\$ -	\$ -
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	197,790.67	15,395.60	-	-	-	-	-
Federal Grants/Contracts/Aid	-	-	-	10,381.25	-	-	-
Transfers	-	5,961.71	1,223,711.62	85,687.98	-	-	-
TOTAL RECEIPTS AND TRANSFERS	491,569.92	81,126.06	2,832,260.37	211,905.36	260,068.47	-	-
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	-	-	-	-	-	-
Student Support Services 2100	481,833.26	92,352.96	-	-	-	-	-
Instructional Support Services 2200	-	-	-	-	241,011.21	-	-
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	4,783.97	-	-	-	-	-	-
Central Services 2500	1,287.54	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	-	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	779,053.64	211,655.05	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	147.20	1,969,646.69	251.05	-	-	234,940.81
TOTAL EXPENDITURES AND TRANSFERS	487,904.77	92,500.16	2,748,700.33	211,906.10	241,011.21	-	234,940.81
Receipts Over (Under) Expenditures	3,665.15	(11,374.10)	83,560.04	(0.74)	19,057.26	-	(234,940.81)
UNENCUMBERED CASH, July 1,	97,664.71	-	730,631.91	-	666,099.67	95,169.30	234,740.81
Cancellation of Prior Year Encumb.	-	11,374.10	8,390.20	0.74	-	-	200.00
UNENCUMBERED CASH, June 30	\$ 101,329.86	\$ -	\$ 822,582.15	\$ -	\$ 685,156.93	\$ 95,169.30	\$ -

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	SPECIAL PURPOSE SCHOOL PSH (0E4)	MCCUNE DAY SCHOOL (0E5)	JOHNSON COUNTY ICC (0F1)	BRINGING PATHWAYS TO KS (0F5)	SPECTRA - THIRD PARTY PAYMENT (0J1)	INFANT TODDLER PROJECT (0K2)	PARENTS AS TEACHERS (0K3)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 406,789.68	\$ -	\$ 2,690,180.64	\$ 18,950.00	\$ -	\$ 387,209.81	\$ 212,632.89
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	381,178.12	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	316,056.72	-	2,346,915.79	-	-	1,838,137.03	-
Federal Grants/Contracts/Aid	-	-	-	-	-	207,654.68	-
Transfers	-	38,590.63	147,598.66	-	-	-	-
TOTAL RECEIPTS AND TRANSFERS	722,846.40	38,590.63	5,184,695.09	18,950.00	381,178.12	2,433,001.52	212,632.89
EXPENDITURES AND TRANSFERS:							
Instruction 1000	666,076.21	-	4,999,025.13	-	-	2,361,553.84	-
Student Support Services 2100	-	-	-	-	-	-	2,657.48
Instructional Support Services 2200	-	-	62,341.52	82,700.00	-	-	-
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	59,642.44	-	-	21,395.88	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	8,652.25	-	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	381,178.12	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	38,590.63	30,489.89	65,674.64	-	-	-	-
TOTAL EXPENDITURES AND TRANSFERS	704,666.84	39,142.14	5,186,683.73	82,700.00	381,178.12	2,382,949.72	2,657.48
Receipts Over (Under) Expenditures	18,179.56	(551.51)	(1,988.64)	(63,750.00)	-	50,051.80	209,975.41
UNENCUMBERED CASH, July 1,	123,959.21	-	-	63,750.00	-	29,215.29	11,840.00
Cancellation of Prior Year Encumb.	1,586.15	551.51	1,988.64	-	-	-	-
UNENCUMBERED CASH, June 30	\$ 143,724.92	\$ -	\$ -	\$ -	\$ -	\$ 79,267.09	\$ 221,815.41

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	CLOUD / REPUBLIC ICC (0K4)	TARC (0L5)	STUDENT ENRICHMENT LAWRENCE (0L7)	TRANSPORTATION CONSORTIUM (0L9)	STUDENT ENRICHMENT (0N2)	IN-HOUSE TECHNOLOGY SERVICES (0N4)	STAFF DEVELOPMENT SERVICES (0N7)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 74,279.12	\$ 1,059,916.41	\$ -	\$ 33,912.12	\$ 436,186.56	\$ 499,028.26	\$ 1,335,712.39
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	408,923.61	1,135,564.11	-	-	-	-	-
Federal Grants/Contracts/Aid	59,405.14	-	-	-	-	-	-
Transfers	-	112,789.75	10,795.83	-	1,131,378.75	139,397.05	630,391.99
TOTAL RECEIPTS AND TRANSFERS	542,607.87	2,308,270.27	10,795.83	33,912.12	1,567,565.31	638,425.31	1,966,104.38
EXPENDITURES AND TRANSFERS:							
Instruction 1000	485,036.05	2,359,900.44	10,795.83	-	510,458.41	19,806.86	-
Student Support Services 2100	-	-	-	-	-	-	-
Instructional Support Services 2200	-	-	-	-	361,141.82	-	1,270,112.62
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	-	-	46,194.20	-	-
Central Services 2500	-	-	-	-	-	239,107.06	-
Operations and Maintenance 2600	-	-	-	-	31,260.42	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	14,037.02	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	-	-	-	-	619,013.45	387,150.56	198,588.06
TOTAL EXPENDITURES AND TRANSFERS	485,036.05	2,359,900.44	10,795.83	14,037.02	1,568,068.30	646,064.48	1,468,700.68
Receipts Over (Under) Expenditures	57,571.82	(51,630.17)	-	19,875.10	(502.99)	(7,639.17)	497,403.70
UNENCUMBERED CASH, July 1,	189,355.05	51,584.25	-	300,385.99	-	-	371,008.78
Cancellation of Prior Year Encumb.	-	45.92	-	-	502.99	7,639.17	-
UNENCUMBERED CASH, June 30	\$ 246,926.87	\$ -	\$ -	\$ 320,261.09	\$ -	\$ -	\$ 868,412.48

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	TECH INTEGRATION (0N9)	BONNER SPRINGS CLC (0P1)	PROFESSIONAL DEVELOPMENT (0P7)	EDUCATE KANSAS - MARKETING (0PC)	HEALTH TRUST ADMIN (0PK)	ECK ACADEMY (0PN)	PARENTS AS TEACHERS (0Q2)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 93,457.90	\$ 4,350.00	\$ -	\$ -	\$ 639,273.52	\$ 164,388.51	\$ 278,283.00
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	-	-	-	219,255.10	730,740.00
Federal Grants/Contracts/Aid	-	-	-	-	-	-	-
Transfers	35,251.01	-	-	38,208.92	710,364.36	118,542.07	-
TOTAL RECEIPTS AND TRANSFERS	128,708.91	4,350.00	-	38,208.92	1,349,637.88	502,185.68	1,009,023.00
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	223.80	-	-	-	465,810.52	-
Student Support Services 2100	-	-	-	-	-	-	1,051,791.32
Instructional Support Services 2200	103,032.64	-	-	38,208.92	-	29,011.22	105,431.68
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	-	-	-	-	-	-	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	-	-	-	9,273.00	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	524,129.82	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	25,676.27	209,152.52	16,653.00	-	861,601.16	-	-
TOTAL EXPENDITURES AND TRANSFERS	128,708.91	209,376.32	16,653.00	38,208.92	1,385,730.98	504,094.74	1,157,223.00
Receipts Over (Under) Expenditures	-	(205,026.32)	(16,653.00)	-	(36,093.10)	(1,909.06)	(148,200.00)
UNENCUMBERED CASH, July 1,	-	205,026.32	16,653.00	-	521,477.59	-	148,200.00
Cancellation of Prior Year Encumb.	-	-	-	-	36,533.46	1,909.06	-
UNENCUMBERED CASH, June 30	\$ -	\$ -	\$ -	\$ -	\$ 521,917.95	\$ -	\$ -

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	DROP-OUT RECOVERY ADMIN (OR1)	MIGRANT OPERATING FUND (OR5)	GIRARD JDC TITLE I N&D (OR6)	JUVENILE DETENTION CTR- GIRARD (OR8)	RAINBOW UNITED (ORB)	500 REACH CLC KANSAS CITY KS (ORK)	CORNERSTONE CLC (ORN)
RECEIPTS AND TRANSFERS:							
Local Revenue	\$ 657.59	\$ 750.00	\$ -	\$ 73,274.67	\$ -	\$ 5,600.00	\$ -
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	-	-	2,245,422.36	-	-
Federal Grants/Contracts/Aid	-	-	-	-	-	-	-
Transfers	1,665,857.48	-	-	52,924.34	-	-	199,788.48
TOTAL RECEIPTS AND TRANSFERS	1,666,515.07	750.00	-	126,199.01	2,245,422.36	5,600.00	199,788.48
EXPENDITURES AND TRANSFERS:							
Instruction 1000	-	-	-	73,914.71	1,943,630.68	232.24	-
Student Support Services 2100	-	2,276.42	-	-	-	-	-
Instructional Support Services 2200	-	-	-	-	-	-	-
General Administration 2300	-	-	-	-	-	-	-
School Administration 2400	14,599.65	-	-	-	422,470.45	-	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	-	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	1,269,179.45	-	-	52,284.30	-	474,709.59	199,988.48
TOTAL EXPENDITURES AND TRANSFERS	1,283,779.10	2,276.42	-	126,199.01	2,366,101.13	474,941.83	199,988.48
Receipts Over (Under) Expenditures	382,735.97	(1,526.42)	-	-	(120,678.77)	(469,341.83)	(200.00)
UNENCUMBERED CASH, July 1,	560,042.60	156,338.16	-	-	120,678.77	469,050.93	-
Cancellation of Prior Year Encumb.	39,839.00	-	-	-	-	290.90	200.00
UNENCUMBERED CASH, June 30	\$ 982,617.57	\$ 154,811.74	\$ -	\$ -	\$ -	\$ -	\$ -

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	LYNDON CLC (0S3)	GEARY CO LEARNING CTR- CLC (0S4)	GB VIRTUAL ACADEMY (0S7)	QUEST- CLC (0S6)	KDOC ED SERVICES (0T1)	PSU /CREDIT (0TG)	ACTIVITY FUNDS (0TZ)
\$	-	\$ 350.00	\$ 3,632,517.65	\$ -	\$ 191,584.56	\$ 118,163.50	\$ 4,731.57
Local Revenue	-	-	-	-	-	-	-
Intercompany fees	-	-	-	-	-	-	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
County Revenue	-	-	-	-	-	-	-
State Grants/Contracts/Aid	-	-	-	-	-	-	-
Federal Grants/Contracts/Aid	-	-	-	-	-	-	-
Transfers	277,681.35	-	-	-	-	723.44	-
TOTAL RECEIPTS AND TRANSFERS	277,681.35	350.00	3,632,517.65	-	191,584.56	118,886.94	4,731.57

EXPENDITURES AND TRANSFERS:							
Instruction 1000	3,619.43	83.34	2,921,403.21	11.20	-	-	-
Student Support Services 2100	-	-	-	-	-	-	-
Instructional Support Services 2200	-	-	-	-	-	-	-
General Administration 2300	-	-	-	-	-	-	1,374.74
School Administration 2400	-	-	121,447.07	-	5,322.08	-	-
Central Services 2500	-	-	-	-	-	-	-
Operations and Maintenance 2600	-	-	35,743.17	-	-	-	-
Transportation 2700	-	-	-	-	-	-	-
Non-Instruction Services	-	-	-	-	-	120,258.50	-
Medicaid Pass-Through	-	-	-	-	-	-	-
Facilities and Construction	-	-	-	-	-	-	-
Transfers	274,061.92	12,413.16	-	11,177.58	186,262.48	-	144,349.56
TOTAL EXPENDITURES AND TRANSFERS	277,681.35	12,496.50	3,078,593.45	11,188.78	191,584.56	120,258.50	145,724.30

Receipts Over (Under) Expenditures	-	(12,146.50)	553,924.20	(11,188.78)	-	(1,371.56)	(140,992.73)
UNENCUMBERED CASH, July 1,	-	12,146.50	58,588.50	10,758.76	-	1,371.56	149,789.68
Cancellation of Prior Year Encumb.	-	-	-	430.02	-	-	-
UNENCUMBERED CASH, June 30	-	-	\$ 612,512.70	\$ -	\$ -	\$ -	\$ 8,796.95

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Combining Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis

For the Fiscal Year Ended June 30, 2022

	SPECIAL ACCOUNT FLOW THROUGH (0WW)	CENTER TOTALS
RECEIPTS AND TRANSFERS:		
Local Revenue	\$ 30,007.10	\$ 28,816,597.53
Intercompany fees	-	1,216,307.80
Medicaid Pass-Through	-	381,178.12
Interest Income	-	22,150.45
County Revenue	-	46,006.90
State Grants/Contracts/Aid	-	16,582,916.16
Federal Grants/Contracts/Aid	-	2,619,685.50
Transfers	26,452.28	16,027,584.30
TOTAL RECEIPTS AND TRANSFERS	56,459.38	65,712,426.76
EXPENDITURES AND TRANSFERS:		
Instruction 1000	-	29,866,500.09
Student Support Services 2100	-	4,117,834.12
Instructional Support Services 2200	-	5,769,059.81
General Administration 2300	-	139,198.04
School Administration 2400	-	1,663,503.54
Central Services 2500	-	1,745,038.98
Operations and Maintenance 2600	-	452,643.39
Transportation 2700	-	20,849.21
Non-Instruction Services	56,459.38	4,654,767.62
Medicaid Pass-Through	-	381,178.12
Facilities and Construction	-	104,994.54
Transfers	-	16,027,584.30
TOTAL EXPENDITURES AND TRANSFERS	56,459.38	64,943,151.76
Receipts Over (Under) Expenditures	-	769,275.00
UNENCUMBERED CASH, July 1,	-	16,343,746.72
Cancellation of Prior Year Encumb.	-	182,431.83
UNENCUMBERED CASH, June 30	\$ -	\$ 17,295,453.55

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor / Pass Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Provided to Sub Recipients	Cash Receipts	Disbursements Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>					
Direct Grant					
CTE-TPI Kansas Statewide CTE Mentoring Network	V051D170017	84.051	\$ -	\$ 152,653.98	\$ 26,003.34
Passed through the Kansas Department of Education:					
Special Education Cluster (IDEA):					
Special Education - Discretionary	H027A140031-14A	84.027A	-	3,705.00	3,705.00
Special Education - Paraprofessional Support	H027A150031	84.027A	-	13,789.00	13,789.00
Special Education - Paraprofessional Support	H027A150031	84.027X	-	976.00	976.00
Total Special Education Cluster (IDEA)	Total 84.027		-	18,470.00	18,470.00
Career and Technical Education (Perkins IV)	V048A210016	84.048A	-	506,837.00	506,837.00
English Language Acquisition - Title III	S365A210016	84.365A	-	81,387.00	81,387.00
Title VI	S369A200017	84.369	-	131.25	131.25
Student Support and Academic Enrichment SSAE Program	S424A210017	84.424A	-	60,186.00	60,186.00
ESSER II - SPED	S425D210002	84.425D	-	281,581.00	281,581.00
ESSER III - Summer Enrichment	S425U210002	84.425U	-	827,515.00	1,773,661.75
ESSER III - KDOC Kansas Leads	S425U210002	84.425U	-	19,500.00	36,044.22
	Total 84.425		-	1,128,596.00	2,091,286.97
Passed through the Kansas Department of Health & Environment:					
Grants for Infants and Families					
Infants and Toddlers IDEA Part C - Reach Tiny-k	93300	84.181	-	33,159.00	33,159.00
Infants and Toddlers IDEA Part C - Birth to 3	93311	84.181	-	198,373.00	198,373.00
Infants and Toddlers IDEA Part C - Leavenworth	93289	84.181	-	69,985.00	69,985.00
Infants and Toddlers IDEA Part C - OCCCK	93197	84.181	-	46,377.00	46,377.00
Infants and Toddlers IDEA Part C - ASQ	No Assigned	84.181	-	20,000.00	20,000.00
Infants and Toddlers IDEA Part C - ARP	No Assigned	84.181	-	16,644.24	16,827.19
Total Grants for Infants and Families	Total 84.181		-	384,538.24	384,721.19
Total U.S. Department of Education			-	2,332,799.47	3,169,022.75

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER

Girard, Kansas

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Provided to Sub Recipients	Cash Receipts	Disbursements Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
Passed through the Kansas Department of Education:					
Children's Cabinet Preschool Dev	90TP0078	93.434	\$ -	\$ 96,987.39	\$ 73,731.83
Passed through the Kansas Department of Health & Environment:					
Maternal, Infnat and Early Childhood Home Visiting Program	MIECHV	93.870	-	179,517.39	272,301.16
Total U.S. Department of Health and Human Services			-	276,504.78	346,032.99
<u>U.S. DEPARTMENT OF AGRICULTURE</u>					
Passed through the Kansas Department of Education					
Child Nutrition Cluster					
Summer Food Service Program	DO609	10.559	-	10,381.25	10,381.25
Total U.S. Department of Agriculture			-	10,381.25	10,381.25
TOTAL FEDERAL AWARDS			\$ -	\$ 2,619,685.50	\$ 3,525,436.99

Note to the Schedule of Expenditures of Federal Awards:

NOTE A -- BASIS OF PRESENTATION

Federal expenditures are recorded on the accrual basis of accounting, which records expenses when the goods or services are received, and not necessarily when paid.

NOTE B --INDIRECT COST RATE

Interlocal No. 609, Southeast Kansas Education Service Center did not elect to use the 10% de minimis cost rate.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' 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**

Board of Education
Interlocal No. 609
Southeast Kansas Education Service Center
Girard, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Interlocal No. 609, Southeast Kansas Education Service Center, Girard, Kansas, as of and for the year ended June 30, 2022, and the related notes to the financial statement, which collectively comprise the Interlocal No. 609, Southeast Kansas Education Service Center's basic financial statement, and have issued our report thereon dated January 20, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Interlocal No. 609, Southeast Kansas Education Service Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Interlocal No. 609, Southeast Kansas Education Service Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Interlocal No. 609, Southeast Kansas Education Service Center's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Interlocal No. 609, Southeast Kansas Education Service Center's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
January 20, 2023

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Education
Interlocal No. 609
Southeast Kansas Education Service Center
Girard, Kansas

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

We have audited Interlocal No. 609, Southeast Kansas Education Service Center, Girard, Kansas' 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 Interlocal No. 609, Southeast Kansas Education Service Center's major federal programs for the year ended June 30, 2022. Interlocal No. 609, Southeast Kansas Education Service Center'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, Interlocal No. 609, Southeast Kansas Education Service Center 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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Interlocal No. 609, Southeast Kansas Education Service Center 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 Interlocal No. 609, Southeast Kansas Education Service Center'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 Interlocal No. 609, Southeast Kansas Education Service Center'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 Interlocal No. 609, Southeast Kansas Education Service Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Interlocal No. 609, Southeast Kansas Education Service Center's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Interlocal No. 609, Southeast Kansas Education Service Center'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 Interlocal No. 609, Southeast Kansas Education Service Center'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 Interlocal No. 609, Southeast Kansas Education Service Center'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.

A handwritten signature in cursive script that reads "Jarred, Gilmore & Phillips, PA".

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
January 20, 2023

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER
Girard, Kansas

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

I. SUMMARY OF AUDITORS' RESULTS

Financial Statement:

The auditors' report expresses an adverse opinion on the basic financial statement of Interlocal No. 609, Southeast Kansas Education Service Center on the Generally Accepted Accounting Principles (GAAP) basis of accounting and an unmodified opinion on the regulatory basis of accounting.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiencies identified?	_____ Yes	<u> X </u>	None Reported
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____ Yes	<u> X </u>	No

Federal Awards:

Internal control over major programs:			
Material weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiencies identified?	_____ Yes	<u> X </u>	None Reported

The auditors' report on compliance for the major federal award programs for Interlocal No. 609, Southeast Kansas Education Service Center expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ Yes	<u> X </u>	No
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Identification of major programs:

U.S. DEPARTMENT OF EDUCATION
Education Stabilization Funds

CFDA No. 84.425

The threshold for distinguishing Types A and B programs was \$750,000.00.

Auditee qualified as a low risk auditee?	_____ Yes	<u> X </u>	No
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II. FINANCIAL STATEMENT FINDINGS

NONE

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

INTERLOCAL NO. 609
SOUTHEAST KANSAS EDUCATION SERVICE CENTER
Girard, Kansas

Summary of Resolution of Prior Audit Findings and Questioned Costs
For the Year Ended June 30, 2022

NONE