Santa Fe Trail Unified School District No. 434
Scranton, Kansas

Financial Statement
As of June 30, 2022
and For the Year Then Ended

With Report by Independent Auditor

SHIPLEY
CPA, LLC
Audit, Assurance, & Consulting Services

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Santa Fe Trail Unified School District No. 434

Adverse and Unmodified Opinions
I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Santa Fe Trail Unified School District No. 434 (the District), 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 my opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of my 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 my 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* (KMAAG) described in Note 1.

Basis for Adverse and Unmodified Opinions
I conducted my 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 KMAAG. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am required to be independent of the District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the KMAAG 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

My 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 my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in my 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.

I am 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 I identified during the audit.

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Other Matters

Supplementary Information

My 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 schedules listed under regulatory required supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U*.S. Code of Federal Regulation* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated December 20, 2022 on my consideration of the District's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Shipley CPA, LLC

Shipley CPA, LLC
Topeka, Kansas
December 20, 2022

Santa Fe Trail Unified School District No. 434 **Statement 1**
Scranton, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General	$ -	$ 8,593,535	$ 8,593,344	$ 191	$ 183,181	$ 183,372
Supplemental General	109,543	2,823,291	2,831,889	100,945	253,193	354,138
Special Purpose Funds:						
Gifts and Grants	153,162	67,042	2,708	217,496	-	217,496
At Risk (4 year olds)	50,000	187,853	187,386	50,467	12,139	62,606
At Risk (K-12)	199,275	1,259,532	1,359,532	99,275	82,631	181,906
Bilingual Education	283	-	-	283	-	283
Driver Training	18,246	14,109	21,198	11,157	1,293	12,450
Food Service	180,552	789,080	676,774	292,858	-	292,858
Professional Development	71,835	34,417	33,754	72,498	2,640	75,138
Career and Postsecondary Education	50,000	143,998	143,998	50,000	-	50,000
Special Education	478,636	2,312,713	2,329,743	461,606	1,798	463,404
Virtual Education	10,504	34,649	34,650	10,503	1,050	11,553
Federal Grant Funds	-	1,173,991	1,173,991	-	217	217
KPERS Special Retirement Contribution	-	954,599	954,599	-	-	-
Contingency Reserve	300,101	-	-	300,101	-	300,101
Textbook Rental	120,656	82,746	58,802	144,600	5,400	150,000
Extraordinary School Program	-	-	-	-	-	-
Capital Outlay	636,934	790,376	518,376	908,934	164,206	1,073,140
Gate Receipts	11,470	66,168	76,925	713	-	713
District Activity	46,355	77,655	73,157	50,853	-	50,853
Bond and Interest Fund	563,396	501,905	372,358	692,943	-	692,943
Total Reporting Entity (Excluding Agency Funds)	$ 3,000,948	$ 19,907,659	$ 19,443,184	$ 3,465,423	$ 707,748	$ 4,173,171

Composition of Cash:	
Checking accounts	$ 4,241,591
Less Agency Funds per Schedule 3	(68,420)
Total Reporting Entity (Excluding Agency Funds)	$ 4,173,171

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

Santa Fe Trail Unified School District No. 434
Scranton, Kansas

Notes to the Financial Statements
For the Year Ended June 30, 2022

1. Summary of Significant Accounting Policies

Reporting Entity
Santa Fe Trail Unified School District No. 434 (the District) is a municipal corporation governed by an elected seven-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

Fund Accounting
The accounts of the District are organized and operated on the basis of funds. 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 out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds were utilized in recording the financial activities of the District for the year ended June 30, 2022.

Regulatory Basis Fund Types

General fund and Supplemental General fund – used to account for the general operations of the District and are used to account for all resources except those required to be accounted for in other funds.
Special Purpose fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.
Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.
Agency fund – used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

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

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

2. Budgetary Information

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

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

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

A legal operating budget is not required for agency funds, activity funds, and the following special purpose funds: textbook rental, contingency reserve, district activity funds.

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

K.S.A. 79-2935 states that expenditures, including encumbrances, in any lawfully budgeted fund shall not exceed the adopted budget of expenditures plus any reimbursements (budget credits) of current year expenditures for such fund for that budget year. The Career and Postsecondary Education fund and the Virtual Education fund exceeded the adopted budget which appears to be a violation of this statute.

3. Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

4. Deposits and Investments

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

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

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not have a peak period pledge agreement during the year ended June 30, 2022, and therefore the District did not designate peak periods. All deposits were legally secured at June 30, 2022.

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

At June 30, 2022 the District's carrying amount of deposits was $4,241,591 and the bank balance was $4,153,867. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $434,532 was covered by federal depository insurance, $100,000 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name and the remaining $3,619,335 was unsecured.

5. In-Substance Receipt in Transit

The District received $412,687 subsequent to June 30, 2022, and, as required by K.S.A. 72-5135 and 72-5145, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

6. Long-Term Debt

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

	Amount of Issue	Interest Rates	Date of Issue	Date of Final Maturity
General Obligation Bonds				
Series 2013	$ 4,600,000	1.35-2.35%	5/1/2013	9/1/2028

	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2013	$ 2,855,000	$ -	$ 320,000	$ 2,535,000	$ 52,358
Lease purchase agreements:					
Buses - 1	8,940	-	8,940	-	-
Buses - 20	238,975	-	238,975	-	-
Buses - 1	18,490	-	9,245	9,245	-
VAR Resources	71,798	-	71,798	-	-
VAR Resources	109,546	-	52,835	56,711	8,239
First Security Bank	275,754	-	88,400	187,354	7,814
	723,503	-	470,193	253,310	16,053
Early retirement benefts	40,200	-	11,250	28,950	-
Total Long Term Debt	$ 3,618,703	$ -	$ 801,443	$ 2,817,260	$ 68,411

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

Year	Principal	Interest
2023	$ 497,826	$ 47,670
2024	444,084	42,193
2025	356,600	36,065
2026	363,300	29,228
2027	375,450	25,628
2028-2032	780,000	27,035
Total	$ 2,817,260	$ 207,819

7. Interfund Transactions

Operating transfers during the fiscal year ended June 30, 2022 were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk (4 year olds)	K.S.A. 72-5167	$ 41,744
General Fund	At Risk (K-12)	K.S.A. 72-5167	1,038,706
General Fund	Virtual Education	K.S.A. 72-5167	17,846
General Fund	Career and Postsecondary Education	K.S.A. 72-5167	48,227
General Fund	Special Education	K.S.A. 72-5167	1,698,480
Supplemental General	At Risk (4 year olds)	K.S.A. 72-5143	88,725
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	220,826
Supplemental General	Professional Development	K.S.A. 72-5143	34,417
Supplemental General	Virtual Education	K.S.A. 72-5143	16,803
Supplemental General	Career and Postsecondary Education	K.S.A. 72-5143	95,771
Supplemental General	Special Education	K.S.A. 72-5143	439,844
Supplemental General	Drivers Training	K.S.A. 72-5143	522
CARES	Special Education		67,418
Title II A	Title I		13,660

8. Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

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.

The District has a plan that provides early retirement benefits to certain eligible employees. To be eligible for early retirement benefits, employees must have been employed by the District for a minimum of fifteen years, must not be age sixty-five or older and must meet one of the following criteria: full retirement qualifications as required by KPERS or acquired eighty-five KPERS retirement points.

Benefits for eligible participants include receiving the longevity payments the employee was eligible for during the last year of employment and the opportunity to remain in the District's group health insurance plan at the employee's cost. These benefits will continue until the participant reaches age sixty-five.

9. Compensated Absences

Under the terms of the District's personnel policy, District employees are granted annual personal and sick leave in varying amounts depending on whether the employee is hourly or contracted.

10. Defined Benefit Pension Plan

General Information about the Pension Plan

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

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

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

10. Defined Benefit Pension Plan (continued)

The State of Kansas is required to contribute the statutory required employer 's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $894,061 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $7,140,938. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

11. Risk Management

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

12. Subsequent Events

The District has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report, the date the financial statement was available for issue.

Regulatory Required Supplementary Information

Schedule 1

Unified School District No. 434
Scranton, Kansas
Summary of Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance-Over (Under)
General Funds:						
General	$ 9,317,328	$ (774,612)	$ 50,819	$ 8,593,535	$ 8,593,344	$ (191)
Supplemental General	3,061,949	(223,569)	-	2,838,380	2,831,889	(6,491)
Special Revenue Funds:						
Gifts and Grants	253,162	-	-	253,162	2,708	(250,454)
At Risk (4 year olds)	211,850	-	-	211,850	187,386	(24,464)
At Risk (K-12)	1,493,849	-	-	1,493,849	1,359,532	(134,317)
Bilingual Education	589	-	-	589	-	(589)
Driver Training	33,546	-	-	33,546	21,198	(12,348)
Food Service	822,737	-	-	822,737	676,774	(145,963)
Professional Development	100,075	-	-	100,075	33,754	(66,321)
Career and Postsecondary Education	137,550	-	-	137,550	143,998	6,448
Special Education	2,432,373	-	-	2,432,373	2,329,743	(102,630)
Virtual Education	34,500	-	-	34,500	34,650	150
Federal Grant Funds	2,263,492	-	-	2,263,492	1,173,991	(1,089,501)
KPERS Special Retirement Contribution	1,035,694	-	-	1,035,694	954,599	(81,095)
Extraordinary School Program	58,900	-	-	58,900	-	(58,900)
Capital Outlay	1,380,520	-	-	1,380,520	518,376	(862,144)
Bond and Interest Fund	372,358	-	-	372,358	372,358	-

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
State equalization aid	$ 7,236,703	$ 7,701,940	$ (465,237)
State special education fund	1,306,013	1,615,384	(309,371)
Reimbursements	50,819	-	50,819
Total Receipts	8,593,535	$ 9,317,324	$ (723,789)
Expenditures			
Instruction	3,108,358	$ 3,295,000	$ (186,642)
Student support services	254,102	433,350	(179,248)
Instructional support staff	189,030	298,100	(109,070)
General administration	255,080	254,000	1,080
School administration	717,800	639,700	78,100
Operations and maintenance	472,174	687,750	(215,576)
Transportation services	352,694	404,300	(51,606)
Other supplemental services	399,103	421,000	(21,897)
Transfers out	2,845,003	2,884,128	(39,125)
Adjustment to comply to legal max	-	(774,612)	774,612
	8,593,344	8,542,716	50,628
Adjustment for qualifying budget credit	-	50,819	(50,819)
Total Expenditures	8,593,344	$ 8,593,535	$ (191)
Receipts Over (Under) Expenditures	191		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ 191		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Supplemental General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Ad valorem current tax	$ 990,418	$ 1,029,808	$ (39,390)
Ad valorem tax in process	154	-	154
Delinquent	21,189	50,757	(29,568)
Motor and recreational vehicle	141,954	134,965	6,989
Recreational vehicle tax	2,879	3,369	(490)
Commercial vechicle tax	-	1,923	(1,923)
Supplemental state aid	1,666,697	1,797,976	(131,279)
Transfers in	-	50,000	(50,000)
Total Receipts	2,823,291	$ 3,068,798	$ (245,507)
Expenditures			
Instruction	568,308	$ 625,000	$ (56,692)
Student support services	-	25,000	(25,000)
Instructional support services	57,396	45,000	12,396
Operations and maintenance	799,591	1,074,682	(275,091)
General administration	62,594	80,000	(17,406)
Transportation	410,849	497,500	(86,651)
Other supplemental services	36,243	86,500	(50,257)
Transfers out	896,908	628,267	268,641
Adjustment to comply to legal max	-	(223,569)	223,569
Total Expenditures	2,831,889	$ 2,838,380	$ (6,491)
Receipts Over (Under) Expenditures	(8,598)		
Unencumbered Cash, Beginning	109,543		
Unencumbered Cash, Ending	$ 100,945		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Gifts and Grants Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Grants and contributions	$ 25,062	$ 100,000	$ (74,938)
Federal aid	1,980	-	1,980
Miscellaneous	40,000	-	40,000
Total Receipts	67,042	$ 100,000	$ (32,958)
Expenditures			
Instruction	1,141	$ 253,162	$ (252,021)
Instructional support staff	1,567	-	1,567
Total Expenditures	2,708	$ 253,162	$ (250,454)
Receipts Over (Under) Expenditures	64,334		
Unencumbered Cash, Beginning	153,162		
Unencumbered Cash, Ending	$ 217,496		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
At Risk (4 year olds) Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Federal aid	$ 31,134	$ -	$ 31,134
Transfers in	130,469	111,850	18,619
Miscellaneous	26,250	50,000	(23,750)
Total Receipts	187,853	$ 161,850	$ 26,003
Expenditures			
Instruction	180,855	208,700	$ (27,845)
Student transportation services	6,531	3,150	3,381
Total Expenditures	187,386	$ 211,850	$ (24,464)
Receipts Over (Under) Expenditures	467		
Unencumbered Cash, Beginning	50,000		
Unencumbered Cash, Ending	$ 50,467		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
At Risk (K-12) Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 1,259,532	1,294,574	$ (35,042)
Total Receipts	1,259,532	$ 1,294,574	$ (35,042)
Expenditures			
Instruction	1,359,532	$ 1,431,397	$ (71,865)
Student transportation services	-	62,452	(62,452)
Total Expenditures	1,359,532	$ 1,493,849	$ (134,317)
Receipts Over (Under) Expenditures	(100,000)		
Unencumbered Cash, Beginning	199,275		
Unencumbered Cash, Ending	$ 99,275		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Bilingual Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ -	$ 306	$ (306)
Total Receipts	-	$ 306	$ (306)
Expenditures			
Instruction	-	$ 589	$ (589)
Total Expenditures	-	$ 589	$ (589)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	283		
Unencumbered Cash, Ending	$ 283		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Driver Training Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
State aid	$ 5,612	$ 6,000	$ (388)
Reimbursements	7,975	9,300	(1,325)
Transfers in	522	-	522
Total Receipts	14,109	$ 15,300	$ (1,191)
Expenditures			
Instruction	15,722	$ 19,020	$ (3,298)
Operations and maintenance	5,476	-	5,476
Transportation services	-	14,526	(14,526)
Total Expenditures	21,198	$ 33,546	$ (12,348)
Receipts Over (Under) Expenditures	(7,089)		
Unencumbered Cash, Beginning	18,246		
Unencumbered Cash, Ending	$ 11,157		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Food Service Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Federal aid	$ 767,900	$ 660,450	$ 107,450
State aid	5,229	4,740	489
Lunch receipts	15,490	30,030	(14,540)
Miscellaneous	461	-	461
Total Receipts	789,080	$ 695,220	$ 93,860
Expenditures			
Food service	676,774	$ 667,234	$ 9,540
Operations and maintenance	-	155,503	(155,503)
Total Expenditures	676,774	$ 822,737	$ (145,963)
Receipts Over (Under) Expenditures	112,306		
Unencumbered Cash, Beginning	180,552		
Unencumbered Cash, Ending	$ 292,858		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Professional Development Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 34,417	$ 28,239	$ 6,178
Total Receipts	34,417	$ 28,239	$ 6,178
Expenditures			
Instructional support staff	18,064	$ 64,575	$ (46,511)
Other support services	15,690	35,500	(19,810)
Total Expenditures	33,754	$ 100,075	$ (66,321)
Receipts Over (Under) Expenditures	663		
Unencumbered Cash, Beginning	71,835		
Unencumbered Cash, Ending	$ 72,498		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Career and Postsecondary Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 143,998	$ 87,550	$ 56,448
Total Receipts	143,998	$ 87,550	$ 56,448
Expenditures			
Instruction	141,136	$ 137,550	$ 3,586
Student Transportation	2,862	-	2,862
Total Expenditures	143,998	$ 137,550	$ 6,448
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	50,000		
Unencumbered Cash, Ending	$ 50,000		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Special Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Federal aid	$ -	$ 33,709	$ (33,709)
Medicaid	78,790	54,000	24,790
Reimbursements	28,181	-	28,181
Transfers in	2,205,742	1,865,384	340,358
Total Receipts	2,312,713	$ 1,953,093	$ 359,620
Expenditures			
Instruction	2,157,989	$ 2,364,773	$ (206,784)
Operations and maintenance	853	-	853
Student transportation services	170,901	67,600	103,301
Total Expenditures	2,329,743	$ 2,432,373	$ (102,630)
Receipts Over (Under) Expenditures	(17,030)		
Unencumbered Cash, Beginning	478,636		
Unencumbered Cash, Ending	$ 461,606		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Virtual Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 34,649	$ 23,996	$ 10,653
Total Receipts	34,649	$ 23,996	$ 10,653
Expenditures			
Instruction	34,650	$ 34,500	$ 150
Total Expenditures	34,650	$ 34,500	$ 150
Receipts Over (Under) Expenditures	(1)		
Unencumbered Cash, Beginning	10,504		
Unencumbered Cash, Ending	$ 10,503		

Schedule 2

Unified School District No. 434
Scranton, Kansas
Federal Grant Funds
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Title I Actual	Title II A Actual	Title V Actual	COVID Relief Actual	CARES Actual	Federal Funds Actual	Federal Funds Budget	Variance-Over (Under)
Receipts								
Federal aid	$ 179,178	$ 35,707	$ 18,610	$ 17,500	$ 882,488	$ 1,133,483	$ 2,209,456	$ (1,075,973)
Reimbursements	-	16,048	-	-	10,800	26,848	-	26,848
Transfers in	13,660	-	-	-	-	13,660	-	13,660
Total Receipts	192,838	51,755	18,610	17,500	893,288	1,173,991	$ 2,209,456	$ (1,035,465)
Expenditures								
Instruction	192,838	-	-	-	116,562	309,400	$ 968,735	$ (659,335)
Instructional support staff	-	38,095	18,610	-	-	56,705	80,000	(23,295)
Operations and maintenance	-	-	-	17,500	11,476	28,976	500,000	(471,024)
Student support services	-	-	-	-	697,832	697,832	714,757	(16,925)
Transfers out	-	13,660	-	-	67,418	81,078	-	81,078
Total Expenditures	192,838	51,755	18,610	17,500	893,288	1,173,991	$ 2,263,492	$ (1,089,501)
Receipts Over (Under) Expenditures	-	-	-	-	-	-		
Unencumbered Cash, Beginning	-	-	-	-	-	-		
Unencumbered Cash, Ending	$ -	$ -	$ -	$ -	$ -	$ -		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
State aid	$ 954,599	$ 1,035,694	$ (81,095)
Total Receipts	954,599	$ 1,035,694	$ (81,095)
Expenditures			
Instruction	618,104	$ 670,642	$ (52,538)
Student support services	66,819	72,498	(5,679)
Instructional support staff	28,640	31,074	(2,434)
General administration	21,487	31,074	(9,587)
School administration	83,522	82,861	661
Other support services	28,640	31,074	(2,434)
Operations and maintenance	57,272	62,141	(4,869)
Student transportation	2,386	2,588	(202)
Food servcie operations	47,729	51,742	(4,013)
Total Expenditures	954,599	$ 1,035,694	$ (81,095)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ -		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Contingency Reserve Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022

	Actual
Receipts	
Transfers in	$ -
Total Receipts	-
Expenditures	
Transfers out	-
Total Expenditures	-
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	300,101
Unencumbered Cash, Ending	$ 300,101

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Textbook Rental Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022

	Actual
Receipts	
Fees	$ 82,746
Total Receipts	82,746
Expenditures	
Instruction	58,802
Total Expenditures	58,802
Receipts Over (Under) Expenditures	23,944
Unencumbered Cash, Beginning	120,656
Unencumbered Cash, Ending	$ 144,600

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Extraordinary School Program Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Federal aid	$ -	$ 48,900	$ (48,900)
Miscellaneous	-	10,000	(10,000)
Total Receipts	-	$ 58,900	$ (58,900)
Expenditures			
Instruction	-	$ 58,900	$ (58,900)
Total Expenditures	-	$ 58,900	$ (58,900)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ -		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Capital Outlay Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Ad valorem current tax	$ 466,553	$ 457,176	$ 9,377
Ad valorem tax in process	2,520	-	2,520
Delinquent	6,311	7,131	(820)
Motor and recreational vehicle	50,378	47,341	3,037
Recreational vehicle tax	848	1,182	(334)
Commercial vehicle tax	-	675	(675)
State aid	251,390	251,467	(77)
Interest	505	-	505
Miscellaneous	11,871	-	11,871
Transfers in	-	100,496	(100,496)
Total Receipts	790,376	$ 865,468	$ (75,092)
Expenditures			
Instruction	239,520	$ 711,500	$ (471,980)
Instructional support equipment	248,323	-	248,323
School administration equipment	10	100,000	(99,990)
Operations and maintenance	30,523	265,000	(234,477)
Student transportation	-	304,020	(304,020)
Total Expenditures	518,376	$ 1,380,520	$ (862,144)
Receipts Over (Under) Expenditures	272,000		
Unencumbered Cash, Beginning	636,934		
Unencumbered Cash, Ending	$ 908,934		

Unified School District No. 434 **Schedule 2**
Scranton, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance-Over (Under)
Receipts			
Ad valorem current tax	$ 282,958	$ 264,931	$ 18,027
Ad valorem tax in process	41	12,624	(12,583)
Delinquent	4,650	4,614	36
Motor and recreational vehicle	27,314	25,500	1,814
Recreational vehicle tax	404	637	(233)
Commercial vehicle tax	-	364	(364)
State aid	186,538	189,903	(3,365)
Total Receipts	501,905	$ 498,573	$ 3,332
Expenditures			
Principal	320,000	$ 320,000	$ -
Interest	52,358	52,358	-
Total Expenditures	372,358	$ 372,358	$ -
Receipts Over (Under) Expenditures	129,547		
Unencumbered Cash, Beginning	563,396		
Unencumbered Cash, Ending	$ 692,943		

Unified School District No. 434 **Schedule 3**
Scranton, Kansas
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School:				
Art club	$ 948	$ -	$ 600	$ 348
Band boosters	116	105	196	25
Cheerleaders	8,368	16,146	15,783	8,731
Class of 2021	-	96	-	96
Class of 2022	1,990	1,098	2,812	276
Class of 2023	1,230	1,848	2,271	807
Class of 2024	917	871	-	1,788
Class of 2025	-	564	-	564
Debate/forensics	85	461	364	182
Drama	82	348	32	398
Drill team	1,898	9,695	10,395	1,198
FACS/BCBS	1,000	-	261	739
FBLA	571	5,230	4,234	1,567
Green team	1,890	904	1,907	887
KAY	2,427	2,006	3,055	1,378
Kitchen	230	-	-	230
Memorial funds	15,417	2,687	7,094	11,010
Miscellaneous	154	427	143	438
National Honor Society	2,140	2,774	2,369	2,545
Sales tax	758	5,549	5,968	339
Scholar's bowl	182	60	633	(391)
Scholarships	2,730	200	250	2,680
Student council	7,506	16,933	18,095	6,344
Students in need	2,237	-	81	2,156
Trap team	2,055	4,522	5,873	704
Thunderstruck spirit club	2,524	10,246	7,778	4,992
Trail pride	514	19	533	-
Vocal music	942	130	243	829
Total High School	58,911	82,919	90,970	50,860

Unified School District No. 434 **Schedule 3**
Scranton, Kansas
Agency Funds (continued)
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Overbrook Attendance Center:				
Sales tax	$ -	$ 5	$ 5	$ -
Student light house	-	831	721	110
Book club	1,184	10,994	7,837	4,341
Total Overbrook Attendence Center	1,184	11,830	8,563	4,451
Carbondale Attendance Center:				
Cheerleaders	2	-	2	-
FCA	272	-	-	272
FBLA-jr.	584	1,645	1,906	323
Gifted	100	-	-	100
Just say no club	-	-	-	-
K.C.'s fitness	1,132	5	438	699
Pep club	134	560	188	506
Principal's fund	248	217	123	342
Sales tax	217	1,490	1,620	87
Scholarships	300	-	-	300
Science/ecology club	-	-	-	-
Student council	3,395	8,779	4,492	7,682
Technology	-	3,609	2,910	699
Theatre	-	80	80	-
6th grade store	1,531	139	1,078	592
7th grade	282	-	748	(466)
8yh grade	3,177	-	1,204	1,973
Total Carbondale Attendence Center	11,374	16,524	14,789	13,109
Total Agency Funds	$ 71,469	$ 111,273	$ 114,322	$ 68,420

Unified School District No. 434 **Schedule 4**
Scranton, Kansas
Gate Receipts
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate receipts:						
Carbondale Attendance Center	$ 141	$ 6,987	$ 9,328	$ (2,200)	$ -	$ (2,200)
High School	11,329	59,181	67,597	2,913	-	2,913
Total gate receipts	$ 11,470	$ 66,168	$ 76,925	$ 713	$ -	$ 713

Unified School District No. 434 **Schedule 5**
Scranton, Kansas
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
School projects:						
Carbondale Attendance Center:						
Book fairs	2,538	2,323	2,465	$ 2,396	-	$ 2,396
Enrollment fees/textbooks	-	10,156	6,191	3,965	-	3,965
Fire funds	223	-	-	223	-	223
Lunch account	371	3,351	3,211	511	-	511
Pencils	2	-	2	-	-	-
Fundraisers	4,687	5,116	4,416	5,387	-	5,387
P.E. funds	1,980	10	-	1,990	-	1,990
School pictures	2,734	-	1,400	1,334	-	1,334
Student supplies	270	355	379	246	-	246
Yearbook	3,474	966	463	3,977	-	3,977
Total Carbondale Attendance Center	16,279	22,277	18,527	20,029	-	20,029
Overbrook Attendance Center:						
Book fairs	384	3,081	3,008	457	-	457
Enrollment fees/textbooks	-	5,562	5,562	-	-	-
Summer enrichment program	-	1,350	-	1,350	-	1,350
Library	224	220	91	353	-	353
Lunch account	37	5,605	5,642	-	-	-
Miscellaneous	1	-	-	1	-	1
Overbrook staff	154	625	704	75	-	75
Principal's booster club	580	-	504	76	-	76
School fund	8,743	3,307	3,575	8,475	-	8,475
Yearbook	2,722	820	523	3,019	-	3,019
Total Overbrook Attendance Center	12,845	20,570	19,609	13,806	-	13,806
High School:						
Charger shop	3,388	1,945	2,048	3,285	-	3,285
Chromebook fee	90	5,331	5,421	-	-	-
Enrollment fees/textbooks	640	5,701	6,341	-	-	-
Library	572	99	-	671	-	671
Lunch account	(18)	5,031	4,985	28	-	28
Renaissance	1,121	689	781	1,029	-	1,029
Science department	369	-	-	369	-	369
Special services fund	353	1,800	1,800	353	-	353
Student supplies	3,858	8,262	8,478	3,642	-	3,642
Summer school	-	-	-	-	-	-
Yearbook	6,858	5,950	5,167	7,641	-	7,641
Total High School	17,231	34,808	35,021	17,018	-	17,018
Total School Project Funds	$ 46,355	$ 77,655	$ 73,157	$ 50,853	$ -	$ 50,853

Unified School District No. 434
Scranton, Kansas

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

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assisted Listing Number	Expenditures
Department of Housing and Development		
Passed through Kansas State Department of Education		
Cooperative Agreements to Promote Adolescent Health	93.079	$ 1,980
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	206,391
Temporary Assistance for Needy Families	93.558	31,134
Total Department of Housing and Development		239,505
United States Department of Agriculture		
Passed through Kansas State Department of Education		
Pandemic EBT Administrative Costs	10.649	614
Child Nutrition Cluster		
School Breakfast Program	10.553	135,001
National School Lunch Program (NSLP)	10.555	393,234
Special Mile Program for Children	10.556	2,035
Summer Food Service Program for Children (SFSPC)	10.559	108,684
Total Child Nutrition Cluster		638,954
Total United States Department of Agriculture		639,568
United States Department of Education		
Passed through Kansas State Department of Education		
Student Support and Academic Enrichment	84.424A	18,610
COVID-19 Education Stabilization Fund	84.425D	676,097
Title I, Grants to Local Education Agencies	84.010A	179,178
Title II, Improving Teacher Quality	84.367A	35,707
Total United States Department of Education		909,592
Department of the Treasury		
Passed through City of Overbrook, Kansas		
COVID-19 Coronavirus Relief Fund	21.019	17,500
Total		$ 1,806,165

See accompanying notes to the schedule of expenditures of federal awards.

Unified School District No. 434
Scranton, Kansas

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

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Unified School District No. 434, Scranton, Kansas (the District) under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statement. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the regulatory basis of accounting, as described in Note 1 to the District's financial statement.

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

Unified School District No. 434
Scranton, Kansas

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

Section I - Summary of Auditors' Results

Financial Statement

Type of report issued on whether the financial statement audited was prepared in accordance with GAAP:	Adverse
Type of auditors' report issued on the basis of accounting used by the District:	Unmodified – Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Noncompliance material to financial statement noted:	None

Federal Awards

Type of auditors' report issued on compliance for major programs:	Unmodified
Internal control over major programs:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Any audit findings that are required to be reported in accordance with Section 2 CFR 200.516(a):	None

Identification of major programs:

Assistance Listing Number	Name of Federal Program
10.553, 10.555, 10.556 and 10.559	Child Nutrition Cluster
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

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

Section II - Financial Statement Findings

No matters reported

Section III – Federal Award Findings and Questioned Costs

No matters reported

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

To the Board of Education
Santa Fe Trail Unified School District No. 434

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Unified School District No. 434, Scranton, Kansas, (the District) which comprises the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash for the year ended June 30, 2022, and the related notes to the financial statement and have issued my report thereon dated December 20, 2022. My report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on Internal Control Over Financial Reporting
In planning and performing my audit of the financial statement, I considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my 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.

Shipley CPA, LLC

Shipley CPA, LLC
December 20, 2022
Topeka, Kansas

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

To the Board of Education
Santa Fe Trail Unified School District No. 434

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited Unified School District No. 434, Scranton, Kansas (the District's)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

I conducted my 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). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

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

Responsibilities of Management for Compliance

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

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Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

I am 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 I 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.

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My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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 my 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.

Shipley CPA, LLC

Shipley CPA, LLC
December 20, 2022
Topeka, Kansas