UNIFIED SCHOOL DISTRICT NO. 500

Kansas City, Kansas

Financial Statements

For the Year Ended June 30, 2025

AGH
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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 500
Kansas City, Kansas

Report on the Financial Statement

Adverse and Unmodified Opinions

We have audited the accompanying summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Kansas City, Kansas Public Schools, Unified School District No. 500 (District), as of and for the year ended June 30, 2025, 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, 2025, 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, 2025, 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 (Government Auditing Standards)*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide (KMAAG)*. 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 described in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statement, however, is required to be presented

under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information and the schedule of expenditures of federal awards are 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2024 (not presented herein), and have issued our report thereon dated December 20, 2024, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2025 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 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 2024 basic financial statement or to the 2024 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 2024 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2024, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Allen, Gibbs & Houlik, L.C.

CERTIFIED PUBLIC ACCOUNTANTS

Overland Park, Kansas
January 20, 2026

UNIFIED SCHOOL DISTRICT NO. 500
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts
General Funds:			
General Fund	$ -	$ -	$ 194,156,838
Supplemental General	1,745,176	-	65,211,775
Special Purpose Funds:			
At Risk (K-12)	98,608	37,005	63,115,968
At Risk (4 Year Old)	526,088	-	1,881,489
Parent Education Program	152,275	-	1,652,726
Bilingual Education	-	-	7,478,988
Virtual Education	705,387	-	817,897
Capital Outlay	9,846,219	-	19,662,948
Food Service	3,663,471	-	18,115,296
Professional Development	41,425	-	329,636
Special Education	-	-	26,211,957
Coop Special Education	625,094	-	23,578,644
Gifts and Grants	10,044,547	351,282	10,936,019
Vocational Education	-	-	4,563,159
KPERS Special Retirement Contribution	-	-	26,544,714
Federal Funds	(20,333,886)	5,339	42,363,481
Contingency Reserve	15,335,400	-	-
Student Materials Revolving	136,566	-	56,475
Public Library Board	40,482,634	-	17,339,204
Public Library Board Employee Benefits	1,917,462	-	1,824,674
District Activity	190,439	-	191,917
Bond and Interest Fund:			
Bond and Interest	9,580,660	-	26,174,559
Capital Project Fund:			
Capital Projects	15,465,459	-	188,767,996
Business Fund:			
School Workers' Compensation Reserve	-	-	1,536,053
Total Reporting Entity (Excluding Agency Funds)	$ 90,223,024	$ 393,626	$ 742,512,413

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

Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
$ 194,156,838	$ -	$ 1,771,145	$ 1,771,145
64,245,874	2,711,077	2,320,034	5,031,111
63,251,581	-	4,873,240	4,873,240
2,407,577	-	-	-
1,519,271	285,730	-	285,730
7,478,988	-	522,989	522,989
1,523,284	-	32,900	32,900
19,776,186	9,732,981	4,213,205	13,946,186
19,543,726	2,235,041	87,107	2,322,148
371,061	-	-	-
26,211,957	-	1,271,081	1,271,081
24,203,738	-	859,440	859,440
16,019,871	5,311,977	198,023	5,510,000
4,563,159	-	310,911	310,911
26,544,714	-	-	-
22,761,549	(726,615)	924,281	197,666
4,017,200	11,318,200	-	11,318,200
34,188	158,853	-	158,853
9,833,096	47,988,742	134,319	48,123,061
1,380,074	2,362,062	-	2,362,062
201,671	180,685	2,701	183,386
15,227,231	20,527,988	-	20,527,988
13,890,643	190,342,812	-	190,342,812
1,536,053	-	-	-
$ 540,699,530	$ 292,429,533	$ 17,521,376	$ 309,950,909

COMPOSITION OF CASH:	
UMB Bank	
Checking	$ 132,383
Commerce	
Checking	120,059,415
Security Bank	
U.S. Government and Agency Obligations	172,448,383
Money Market Funds	1,675,450
Other Obligations	16,218,979
Cash Balance	310,534,610
Less: Agency Funds per Statement 3	(583,701)
Total Reporting Entity (Excluding Agency Funds)	$ 309,950,909

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

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 500 (District) is a municipal corporation governed by an elected seven-member board. These financial statements include all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

Reimbursed Expenses

Expenditures in the amount of $618,930 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, and 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 municipality to use the regulatory basis for accounting.

Regulatory Basis Fund Types

In governmental accounting, 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.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

The following types of funds comprise the financial activities of the District for the year ended June 30, 2025:

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 regulatory basis receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

Business Fund - fund financed in whole or in part by fees charged to users of the goods or services.

Agency Fund - used to report assets held by a municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, student organization funds, etc.).

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, special purpose funds (unless specifically exempted by statute), and bond and interest funds. 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 local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The municipality did hold 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.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Contingency Reserve, Student Materials Revolving and the District Activity Fund.

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

NOTE 2 - Stewardship, Compliance, and Accountability

As of June 30, 2025, the Federal Fund had a negative unencumbered cash balance of $726,615 which is a violation of K.S.A. 10-1113. The deficit is due to timing differences between the expenditure of federal grant funds and the receipt of reimbursements.

Expenditures in the Gifts and Grants Fund, Federal Funds, and Bond and Interest Fund exceeded the adopted budget for the year ended June 30, 2025, which is a violation of K.S.A. 79-2935.

NOTE 3 - Deposits and Investments

As of June 30, 2025, the District had the following investments and maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1 - 2	More than 2	Rating U.S.
U.S Government and Agency Obligations	$ 172,448,383	$ 19,529,839	$ 76,864,383	$ 76,054,161	N/A
Money Market Funds	1,675,450	1,675,450	-	-	N/A
Other Obligations	16,218,979	1,813,621	14,405,358	-	N/A
Total Fair Value	$ 190,342,812	$ 23,018,910	$ 91,269,741	$ 76,054,161	

Deposits. 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.

NOTE 3 - Deposits and Investments (Continued)

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

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2025, is as follows:

Investments	Percentage of Investments
U.S Government and Agency Obligations	90.60%
Money Market Funds	0.88%
Other Obligations	8.52%

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 has no designated "peak periods". All deposits were legally secured at June 30, 2025.

At June 30, 2025, the District's carrying amount of deposits was $120,191,798 and the bank balance was $127,792,725. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by federal depository insurance and the remaining bank balance of $127,792,725 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

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

NOTE 4 - Long-Term Debt

Following is a detailed listing of the District long-term debt:

Debt Issue	Date Issued	Maturity Date	Original Amount	Outstanding Amount	Interest Rate
General Obligation Bonds					
Series 2016-A	12/20/2016	9/1/2037	$ 227,000,000	$ 15,245,000	4.00 to 5.00%
Series 2020-A	2/3/2020	9/1/2046	8,000,000	7,265,000	1.63 to 3.17%
Series 2020-B	2/3/2020	9/1/2046	154,015,000	142,985,000	1.60 to 3.17%
Series 2022	4/20/2022	9/1/2037	86,850,000	84,680,000	2.230%
Series 2025	2/27/2025	9/1/2055	180,000,000	180,000,000	5.00 to 5.25%
			$ 655,865,000	$ 430,175,000	
Certificates of Participation					
Series 2009	10/15/2009	9/1/2025	$ 15,125,000	$ 1,170,798	2.15%
Series 2011	7/1/2011	7/1/2027	5,465,000	860,015	5.29%
			$ 20,590,000	$ 2,030,813	

The District is subject to statutes of the State of Kansas which limit the bonded debt outstanding to 14% of the assessed valuation. The District has received authorization from the State of Kansas to exceed this limit.

Following is a summary of changes in long-term debt for the year ended June 30, 2025:

Debt Issue	Beginning Principal Outstanding	Additions	Reduction	Ending Principal Outstanding	Interest Paid
General Obligation Bonds					
2016-A Improvement	$ 19,670,000	$ -	$ 4,425,000	$ 15,245,000	$ 872,875
2020-A Improvement	7,515,000	-	250,000	7,265,000	205,542
2020-B Refunding	145,260,000	-	2,275,000	142,985,000	4,294,052
2022 Refunding	85,415,000	-	735,000	84,680,000	2,168,711
Series 2025	-	180,000,000	-	180,000,000	-
Certificates of Participation					
2009 Series	2,307,248	-	1,136,450	1,170,798	325,188
2011 Series	1,268,154	-	408,139	860,015	26,123
Total	$ 261,435,402	180,000,000	$ 9,229,589	$ 432,205,813	$ 7,892,491

NOTE 4 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 7,965,000	$ 16,499,112	$ 24,464,112
2027	8,265,000	15,891,438	24,156,438
2028	8,980,000	15,363,702	24,343,702
2029	9,325,000	15,093,683	24,418,683
2030	9,520,000	14,895,069	24,415,069
2031 - 2035	53,045,000	71,181,719	124,226,719
2036 - 2040	68,350,000	63,425,561	131,775,561
2041 - 2045	87,895,000	50,428,637	138,323,637
2046 - 2050	97,000,000	32,073,566	129,073,566
2051 - 2055	66,710,000	11,396,075	78,106,075
2056	13,120,000	344,400	13,464,400
Total	$ 430,175,000	$ 306,592,962	$ 736,767,962

Annual debt service requirements to maturity for the Certificates of Participation are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 1,380,241	$ 188,743	$ 1,568,984
2027	429,943	26,149	456,092
2028	220,631	13,075	233,706
Total	$ 2,030,815	$ 227,967	$ 2,258,782

In addition, $216,389,597 of general obligation bonds and certificates of participation are still outstanding but have been fully defeased and therefore are not reported in the District's financial statements.

NOTE 5 - Compensated Absences

Under terms of the District's personnel policy, District employees working twelve months per year receive vacation pay in varying amounts. In the event of termination, an employee is paid for accumulated vacation days, depending on the employee's length of service and/or position with the District.

Sick leave benefits are extended to all employees for whom deductions are made for the District's retirement plans. Annual benefits are allowed at the rate of 10 to 14 days per year, depending upon the number of days per year the employee works. Payment of accumulated sick leave is made in the following circumstances:

1. Upon resignation provided that the employee has completed thirty (30) years of service in the District or twenty (20) years of service and attained the age of fifty-five (55). Any individual initially employed by the District after 7/31/96 is not eligible.

2. Upon retirement or death. Any individual initially employed by the District after 7/31/96 is not eligible.

Seventy-five percent of the accumulated sick leave shall be paid, not to exceed 144 days. The amount of leave is dependent on the length of the employee's service to the District.

The District records an expense for vacation days and sick leave when paid. Utilization of accumulated vacation and sick leave by employees in future years is not expected to have a material impact on District expenditures in any one year. The District has not quantified the compensated absences for purposes of this disclosure.

NOTE 6 - Defined Benefit Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program)

NOTE 6 - Defined Benefit Pension Plan (Continued)

was 13.38% and 12.57%, respectively, for the fiscal year ended June 30, 2024. The actuarially determined employer contribution rate and the statutory contribution rate was 11.60% and 11.54% for the fiscal year ended June 30, 2025.

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

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

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $26,544,714 for the year ended June 30, 2025.

Net Pension Liability. At June 30, 2025, the District's proportionate share of the collective net pension liability reported by KPERS was $261,061,917. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30,2024. 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, 2024. Since 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.

NOTE 7 - Early Separation Liability

The District also has a plan which covers District employees who voluntarily take early retirement. An employee is eligible for early retirement if the teacher was under contract with the District on or before August 1, 1996, on the year that separation is to begin the employee must be at least fifty-five years old and not more than sixty-five years old, and the employee must have completed twenty-five years of contracted experience as a District employee and at least ten consecutive years with USD 500 having been the individual's final years before early separation and have retired from KPERS.

The benefits from this plan are computed using a formula based upon the employees' experience factor and the employees' final total annual salary. The employees approved for the early separation benefits will be paid not more than one hundred sixty-eight semi-monthly payments with payments beginning on July 15 of the year separation begins and ending in the month in which the employee dies or becomes sixty-two years old, whichever occurs first. The cost of this plan in the fiscal year ended June 30, 2025, was $626,166. Future payments are estimated as follows:

Year Ended	
2025-26	$ 472,727
2026-27	330,507
2027-28	247,810
2028-29	176,540
2029-30	108,295
2030-31	45,727
Total	$1,381,606

NOTE 8 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past fiscal years.

Workers' Compensation. The District has established a self insurance retention program in order to deal with workers compensation claims. Claims in excess of the self insured retention amount are covered through a third party limited coverage policy. The District is self insured with a $250,000 retention and statutory limit of coverage.

Liabilities below do not include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Actual payment of claims and judgments is reported in the School Workers' Compensation Reserve Fund. Changes in the balance of claims liabilities are as follows:

Incurred claims from inception	$ 38,344,564
Claim payments and adjustments from inception	(35,681,562)
Unpaid claims, June 30, 2025	$ 2,663,002

NOTE 9 - Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District at June 30, 2025.

The District is a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable. However, in the opinion of management, the resolution of these matters will not likely have a material adverse effect on the financial condition of the District.

NOTE 10 - Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. Employees who retire with twenty or more years of service are allowed to stay on the District's health insurance and the District pays for single full coverage until the retiree reaches Medicare eligibility age. While other retirees pay the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level 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, 2025.

NOTE 11 - Transfers

Transfers were as follows:

From	To	Amount	Regulatory Authority
General Fund	At Risk (4 Year Old) Fund	$ 1,881,489	K.S.A. 72-5167
General Fund	At Risk (K-12) Fund	49,367,351	K.S.A. 72-5167
General Fund	Bilingual Education Fund	4,671,443	K.S.A. 72-5167
General Fund	Virtual Education Fund	817,897	K.S.A. 72-5167
General Fund	Professional Development Fund	306,300	K.S.A. 72-5167
General Fund	Parent Education Program Fund	330,045	K.S.A. 72-5167
General Fund	Special Education Fund	20,834,577	K.S.A. 72-5167
General Fund	Coop Special Education Fund	508,370	K.S.A. 72-5167
General Fund	Vocational Education Fund	4,486,926	K.S.A. 72-5167
General Fund	School Workers' Compensation Reserve Fund	1,419,172	K.S.A. 72-5167
Supplemental General Fund	At Risk (K-12) Fund	13,748,617	K.S.A. 72-5143
Supplemental General Fund	Bilingual Education Fund	2,807,545	K.S.A. 72-5143
Supplemental General Fund	Special Education Fund	5,377,380	K.S.A. 72-5143
Contingency Reserve	Supplemental General Fund	3,851,000	K.S.A. 72-5167
Capital Projects Fund	Bond & Interest Fund	10,821,699	To close bond project account
Special Education Fund	Coop Special Education Fund	10,084,570	K.S.A. 72-3422
		$ 131,314,381	

UNIFIED SCHOOL DISTRICT NO. 500
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025

Funds	Certified Budget	Adjustment to Comply with Legal Max Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:						
General Funds:						
General Fund	$ 207,708,271	$ (14,170,363)	$ 618,930	$ 194,156,838	$ 194,156,838	$ -
Supplemental General	68,853,674	(4,607,800)	-	64,245,874	64,245,874	-
Special Purpose Funds:						
At Risk (K-12)	67,200,512	-	-	67,200,512	63,251,581	(3,948,931)
At Risk (4 Year Old)	3,126,089	-	-	3,126,089	2,407,577	(718,512)
Parent Education Program	1,658,193	-	-	1,658,193	1,519,271	(138,922)
Bilingual Education	8,540,629	-	-	8,540,629	7,478,988	(1,061,641)
Virtual Education	2,313,103	-	-	2,313,103	1,523,284	(789,819)
Capital Outlay	22,951,881	-	-	22,951,881	19,776,186	(3,175,695)
Food Service	24,356,366	-	-	24,356,366	19,543,726	(4,812,640)
Professional Development	731,425	-	-	731,425	371,061	(360,364)
Special Education	31,918,394	-	-	31,918,394	26,211,957	(5,706,437)
Coop Special Education	25,043,870	-	-	25,043,870	24,203,738	(840,132)
Gifts and Grants	13,596,938	-	-	13,596,938	16,019,871	2,422,933
Vocational Education	5,497,309	-	-	5,497,309	4,563,159	(934,150)
KPERS Special Retirement Contribution	32,502,161	-	-	32,502,161	26,544,714	(5,957,447)
Federal Funds	15,459,007	-	-	15,459,007	22,761,549	7,302,542
Public Library Board	50,000,000	-	-	50,000,000	9,833,096	(40,166,904)
Public Library Board Employee Benefits	1,723,254	-	-	1,723,254	1,380,074	(343,180)
Bond and Interest Fund:						
Bond and Interest	15,226,182	-	-	15,226,182	15,227,231	1,049

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-1
Schedule of Receipts and Expenditures - Actual and Budget
General Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
Equalization aid	$ 166,305,602	$ 177,674,135	$ 186,712,073	$ (9,037,938)
Special education aid	11,180,153	15,863,773	20,996,198	(5,132,425)
Reimbursed expenses	393,811	618,930	-	618,930
Total Receipts	177,879,566	194,156,838	$ 207,708,271	$ (13,551,433)
Expenditures				
Instruction	17,896,247	26,393,223	$ 16,897,065	$ 9,496,158
Student support services	2,291,443	2,274,801	3,591,322	(1,316,521)
Instructional support	11,769,268	13,703,914	15,537,408	(1,833,494)
General administration	1,024,354	1,169,445	564,155	605,290
School administration	11,489,733	16,949,607	17,360,564	(410,957)
Central services	14,394,515	12,825,921	16,287,168	(3,461,247)
Operations and maintenance	22,890,615	23,023,748	27,476,021	(4,452,273)
Community service or development	1,429,701	2,663,569	-	2,663,569
Transportation	11,313,513	10,529,040	20,851,179	(10,322,139)
Transfers out	83,380,177	84,623,570	89,143,389	(4,519,819)
Adjustment to comply with legal max budget	-	-	(14,170,363)	14,170,363
Legal general fund budget	177,879,566	194,156,838	193,537,908	618,930
Adjustment for qualifying budget credits	-	-	618,930	(618,930)
Total Expenditures	177,879,566	194,156,838	$ 194,156,838	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-2
Schedule of Receipts and Expenditures - Actual and Budget
Supplemental General Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	$ 13,043,169	$ 15,127,839	$ 17,455,547	$ (2,327,708)
Delinquent tax	431,133	519,231	433,510	85,721
Motor vehicle tax	1,304,947	1,434,225	959,586	474,639
Revenue in lieu of taxes	104,410	155,414	-	155,414
Supplemental state aid	42,370,564	44,124,066	47,288,703	(3,164,637)
Transfer in	2,000,000	3,851,000	3,851,000	-
Total Receipts	59,254,223	65,211,775	$ 69,988,346	$ (4,776,571)
Expenditures				
Instruction	24,327,297	34,646,792	$ 32,839,870	$ 1,806,922
Student support services	308,539	224,999	5,408,370	(5,183,371)
Instructional support	14,518	22,825	74,154	(51,329)
General administration	-	35,300	-	35,300
School administration	7,466,906	3,663,127	104,543	3,558,584
Central services	514	-	-	-
Operations and maintenance	3,935,965	1,519,505	-	1,519,505
Community service or development	7,156,649	2,281	-	2,281
Transportation	1,284,405	2,197,503	1,616,000	581,503
Transfers out	15,511,670	21,933,542	28,810,737	(6,877,195)
Adjustment to comply with legal max budget	-	-	(4,607,800)	4,607,800
Total Expenditures	60,006,463	64,245,874	$ 64,245,874	$ -
Receipts Over (Under) Expenditures	(752,240)	965,901		
Unencumbered Cash, Beginning	2,497,416	1,745,176		
Unencumbered Cash, Ending	$ 1,745,176	$ 2,711,077		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-3
Schedule of Receipts and Expenditures - Actual and Budget
At Risk (K-12) Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfers in	$ 58,091,810	$ 63,115,968	$ 67,189,904	$ (4,073,936)
Total Receipts	58,091,810	63,115,968	$ 67,189,904	$ (4,073,936)
Expenditures				
Instruction	49,619,818	47,277,705	$ 57,812,010	$(10,534,305)
Student support services	7,863,731	7,892,267	9,288,215	(1,395,948)
Instructional support	419,346	480,029	100,287	379,742
General administration	103,056	135,498	-	135,498
School administration	956,013	1,076,908	-	1,076,908
Community service or development	290,979	6,389,174	-	6,389,174
Total Expenditures	59,252,943	63,251,581	$ 67,200,512	$ (3,948,931)
Receipts Over (Under) Expenditures	(1,161,133)	(135,613)		
Unencumbered Cash, Beginning	1,259,741	98,608		
Prior Year Cancelled Encumbrances	-	37,005		
Unencumbered Cash, Ending	$ 98,608	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-4
Schedule of Receipts and Expenditures - Actual and Budget
At Risk (4 Year Old) Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfers in	$ 2,516,016	$ 1,881,489	$ 2,600,000	$ (718,511)
Total Receipts	2,516,016	1,881,489	2,600,000	(718,511)
Expenditures				
Instruction	880,461	263,794	$ 1,654,089	$ (1,390,295)
Student support services	6,327	6,477	-	6,477
Instructional support	2,694	21,949	285,000	(263,051)
General administration	95,250	575,643	-	575,643
School administration	470,123	553,079	465,000	88,079
Central services	5,754	8,051	6,000	2,051
Operations and maintenance	136,946	177,000	191,000	(14,000)
Community service or development	139,900	136,197	-	136,197
Transportation	523,278	665,387	525,000	140,387
Total Expenditures	2,260,733	2,407,577	$ 3,126,089	$ (718,512)
Receipts Over (Under) Expenditures	255,283	(526,088)		
Unencumbered Cash, Beginning	270,805	526,088		
Unencumbered Cash, Ending	$ 526,088	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-5
Schedule of Receipts and Expenditures - Actual and Budget
Parent Education Program Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State aid	$ 1,097,222	$ 1,093,135	$ -	$ 1,093,135
Local source	85,091	229,546	1,185,459	(955,913)
Transfers in	319,416	330,045	320,459	9,586
Total Receipts	1,501,729	1,652,726	$ 1,505,918	$ 146,808
Expenditures				
Community service or development	45,207	41,295	$ -	$ 41,295
Student support services	1,347,748	1,477,976	1,658,193	(180,217)
Total Expenditures	1,392,955	1,519,271	$ 1,658,193	$ (138,922)
Receipts Over (Under) Expenditures	108,774	133,455		
Unencumbered Cash, Beginning	43,501	152,275		
Unencumbered Cash, Ending	$ 152,275	$ 285,730		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-6
Schedule of Receipts and Expenditures - Actual and Budget
Bilingual Education Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfers in	$ 6,968,031	$ 7,478,988	$ 8,540,629	$ (1,061,641)
Total Receipts	6,968,031	7,478,988	$ 8,540,629	$ (1,061,641)
Expenditures				
Instruction	5,839,748	6,069,564	$ 7,523,013	$ (1,453,449)
Student support services	515,786	623,590	585,766	37,824
Instructional support	647,758	328,598	372,701	(44,103)
General administration	132,817	41,076	-	41,076
School administration	573	269,930	59,149	210,781
Community service or development	73,742	140,230	-	140,230
Transportation	-	6,000	-	6,000
Total Expenditures	7,210,424	7,478,988	$ 8,540,629	$ (1,061,641)
Receipts Over (Under) Expenditures	(242,393)	-		
Unencumbered Cash, Beginning	242,393	-		
Unencumbered Cash, Ending	$ -	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-7
Schedule of Receipts and Expenditures - Actual and Budget
Virtual Education Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfers in	$ 1,485,216	$ 817,897	$ 1,607,715	$ (789,818)
Total Receipts	1,485,216	817,897	$ 1,607,715	$ (789,818)
Expenditures				
Instruction	528,176	1,350,984	$ 2,034,813	$ (683,829)
Student support services	251,653	172,300	278,290	(105,990)
Total Expenditures	779,829	1,523,284	$ 2,313,103	$ (789,819)
Receipts Over (Under) Expenditures	705,387	(705,387)		
Unencumbered Cash, Beginning	-	705,387		
Unencumbered Cash, Ending	$ 705,387	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-8
Schedule of Receipts and Expenditures - Actual and Budget
Capital Outlay Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	$ 8,269,853	$ 9,345,463	$ 9,581,099	$ (235,636)
Delinquent tax	273,528	327,488	274,805	52,683
Motor vehicle tax	826,175	907,885	608,193	299,692
Revenue in lieu of taxes	51,305	64,096	-	64,096
State aid	7,022,635	7,808,087	8,120,944	(312,857)
Interest on idle funds	3,693,496	554,976	-	554,976
Miscellaneous	52,849	654,953	-	654,953
Total Receipts	20,189,841	19,662,948	$ 18,585,041	$ 1,077,907
Expenditures				
Instruction	2,472,314	89,472	$ 825,372	$ (735,900)
Instructional support	3,710	-	-	-
Central services	1,432,585	394,923	852,552	(457,629)
Operations and maintenance	4,267,203	8,659,903	21,273,957	(12,614,054)
Community service or development	8,535,304	7,855,528	-	7,855,528
Transportation	-	874,443	-	874,443
Debt service				
Principal	1,045,563	1,544,589	-	1,544,589
Interest	357,330	357,328	-	357,328
Total Expenditures	18,114,009	19,776,186	$ 22,951,881	$ (3,175,695)
Receipts Over (Under) Expenditures	2,075,832	(113,238)		
Unencumbered Cash, Beginning	7,770,387	9,846,219		
Unencumbered Cash, Ending	$ 9,846,219	$ 9,732,981		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-9
Schedule of Receipts and Expenditures - Actual and Budget
Food Service Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Federal aid	$ 17,087,429	$ 17,590,963	$ 20,444,895	$ (2,853,932)
State aid	137,252	142,542	108,000	34,542
Local source	-	-	40,000	(40,000)
Charges for services	222,134	351,853	100,000	251,853
Miscellaneous	18,231	718	-	718
Interest on idle funds	40,098	29,220	-	29,220
Total Receipts	17,505,144	18,115,296	$ 20,692,895	$ (2,577,599)
Expenditures				
School administration	2,091	-	$ -	$ -
General administration	300,000	300,500	-	300,500
Community service or development	75	56,681	-	56,681
Food service operation	19,327,593	19,186,545	24,356,366	(5,169,821)
Total Expenditures	19,629,759	19,543,726	$ 24,356,366	$ (4,812,640)
Receipts Over (Under) Expenditures	(2,124,615)	(1,428,430)		
Unencumbered Cash, Beginning	5,788,086	3,663,471		
Unencumbered Cash, Ending	$ 3,663,471	$ 2,235,041		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-10
Schedule of Receipts and Expenditures - Actual and Budget
Professional Development Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
State aid	$ 19,127	$ 23,336	$ 90,000	$ (66,664)
Transfers in	566,708	306,300	600,000	(293,700)
Total Receipts	585,835	329,636	$ 690,000	$ (360,364)
Expenditures				
Instruction	114,197	28,177	$ -	$ 28,177
School administration	219,815	211,284	-	211,284
Instructional support	-	-	500,752	(500,752)
Central services	-	-	230,673	(230,673)
Community service or development	210,398	131,600	-	131,600
Total Expenditures	544,410	371,061	$ 731,425	$ (360,364)
Receipts Over (Under) Expenditures	41,425	(41,425)		
Unencumbered Cash, Beginning	-	41,425		
Unencumbered Cash, Ending	$ 41,425	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-11
Schedule of Receipts and Expenditures - Actual and Budget
Special Education Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfers in	24,507,768	26,211,957	31,918,394	(5,706,437)
Total Receipts	24,507,768	26,211,957	$ 31,918,394	$ (5,706,437)
Expenditures				
Instruction	12,060,715	14,597,960	$ 28,666,019	$(14,068,059)
Student support services	3,506	9,894	252,375	(242,481)
School administration	20,912	54,361	-	54,361
Community service or development	381,013	109,800	-	109,800
Student transportation services	2,275,897	1,355,372	3,000,000	(1,644,628)
Transfers out	10,392,532	10,084,570	-	10,084,570
Total Expenditures	25,134,575	26,211,957	$ 31,918,394	$ (5,706,437)
Receipts Over (Under) Expenditures	(626,807)	-		
Unencumbered Cash, Beginning	626,807	-		
Unencumbered Cash, Ending	$ -	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-12
Schedule of Receipts and Expenditures - Actual and Budget
Coop Special Education Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Local - other district contributions	$ 2,270,465	$ 2,880,870	$ 13,010,000	$(10,129,130)
Federal aid	7,831,976	7,604,201	7,800,000	(195,799)
State aid	377	-	500	(500)
Local sources	-	5,173	-	5,173
Medicaid	3,621,972	2,493,120	3,600,000	(1,106,880)
Miscellaneous	2,550	2,340	-	2,340
Transfers in	10,941,846	10,592,940	-	10,592,940
Total Receipts	24,669,186	23,578,644	$ 24,410,500	$ (831,856)
Expenditures				
Instruction	15,221,597	12,514,096	$ 16,234,500	$ (3,720,404)
Student support services	5,789,549	5,776,177	6,030,000	(253,823)
Instructional support	3,146,238	2,887,401	2,554,370	333,031
School administration	78,020	110,714	-	110,714
Community service and development	18,923	534,250	-	534,250
Transportation	224,681	2,381,100	225,000	2,156,100
Total Expenditures	24,479,008	24,203,738	$ 25,043,870	$ (840,132)
Receipts Over (Under) Expenditures	190,178	(625,094)		
Unencumbered Cash, Beginning	434,916	625,094		
Unencumbered Cash, Ending	$ 625,094	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-13
Schedule of Receipts and Expenditures - Actual and Budget
Gifts and Grants Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Federal aid	$ 3,295,034	$ 1,364,788	$ -	$ 1,364,788
State aid	3,825,197	3,695,184	2,941,341	753,843
Contributions and donations	1,316,978	3,335,186	5,000,000	(1,664,814)
Local source	532,335	306,676	-	306,676
User charges and fees	197,755	1,165,484	-	1,165,484
Miscellaneous	1,763,987	1,068,701	400,000	668,701
Total Receipts	10,931,286	10,936,019	$ 8,341,341	$ 2,594,678
Expenditures				
Instruction	3,107,969	10,206,656	$ 4,197,775	$ 6,008,881
Student support services	2,014,186	1,908,731	2,237,497	(328,766)
Instructional support	2,815,824	1,938,532	1,922,139	16,393
General administration	861,004	169,904	230,781	(60,877)
School administration	459,566	405,202	-	405,202
Central services	33,520	-	1,808,746	(1,808,746)
Operations and maintenance	6,004,615	20,892	3,200,000	(3,179,108)
Community service or development	1,860,138	1,369,954	-	1,369,954
Total Expenditures	17,156,822	16,019,871	$ 13,596,938	$ 2,422,933
Receipts Over (Under) Expenditures	(6,225,536)	(5,083,852)		
Unencumbered Cash, Beginning	14,462,581	10,044,547		
Prior Year Cancelled Encumbrances	1,807,502	351,282		
Unencumbered Cash, Ending	$ 10,044,547	$ 5,311,977		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-14
Schedule of Receipts and Expenditures - Actual and Budget
Vocational Education Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfers in	$ 3,668,936	$ 4,486,926	$ 5,177,025	$ (690,099)
State aid	26,973	76,233	29,000	47,233
Total Receipts	3,695,909	4,563,159	$ 5,206,025	$ (642,866)
Expenditures				
Instruction	3,672,282	4,408,649	$ 5,347,955	$ (939,306)
Student support services	-	-	25,000	(25,000)
Instructional support	102,326	103,968	124,354	(20,386)
School administration	2,864	35,449	-	35,449
Community service or development	5,195	15,093	-	15,093
Total Expenditures	3,782,667	4,563,159	$ 5,497,309	$ (934,150)
Receipts Over (Under) Expenditures	(86,758)	-		
Unencumbered Cash, Beginning	86,758	-		
Unencumbered Cash, Ending	$ -	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-16
Schedule of Receipts and Expenditures - Actual and Budget
KPERS Special Retirement Contribution Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State aid	$ 29,547,419	$ 26,544,714	$ 32,502,161	$ (5,957,447)
Total Receipts	29,547,419	26,544,714	$ 32,502,161	$ (5,957,447)
Expenditures				
Employee benefits	29,547,419	26,544,714	$ 32,502,161	$ (5,957,447)
Total Expenditures	29,547,419	26,544,714	$ 32,502,161	$ (5,957,447)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-17
Schedule of Receipts and Expenditures - Actual and Budget
Federal Funds
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Federal aid	$ 60,613,708	$ 42,193,323	$ 37,708,279	$ 4,485,044
Local source	170,158	170,158	-	170,158
Total Receipts	60,783,866	42,363,481	$ 37,708,279	$ 4,655,202
Expenditures				
Instruction	54,640,391	12,435,206	$ 13,529,080	$ (1,093,874)
Student support services	678,189	758,845	605,510	153,335
Instructional support	2,777,627	376,260	987,554	(611,294)
General administration	155,671	153,105	-	153,105
School administration	4,668,470	4,897,135	-	4,897,135
Central services	159,585	201,220	290,039	(88,819)
Operations and maintenance	-	(69,474)	-	(69,474)
Community service or development	7,342,131	3,901,427	-	3,901,427
Transportation	477,773	107,825	46,824	61,001
Food service operations	39,655	-	-	-
Total Expenditures	70,939,492	22,761,549	$ 15,459,007	$ 7,302,542
Receipts Over (Under) Expenditures	(10,155,626)	19,601,932		
Unencumbered Cash, Beginning	(10,428,080)	(20,333,886)		
Prior Year Cancelled Encumbrances	249,820	5,339		
Unencumbered Cash, Ending	$(20,333,886)	$ (726,615)		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
Contingency Reserve Fund *
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers in	$ -	$ -
Total Receipts	-	-
Expenditures		
Community service or development	601,920	166,200
Transfers out	2,000,000	3,851,000
Total Expenditures	2,601,920	4,017,200
Receipts Over (Under) Expenditures	(2,601,920)	(4,017,200)
Unencumbered Cash, Beginning	17,937,320	15,335,400
Unencumbered Cash, Ending	$ 15,335,400	$ 11,318,200

* This fund is not required to be budgeted.

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
Student Materials Revolving Fund *
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Federal aid	$ 182	$ 27
Local sources	12,298	6,677
Charges for services	25,406	32,684
Miscellaneous revenues	17,914	17,087
Total Receipts	55,800	56,475
Expenditures		
Instruction	19,823	28,525
Community service or development	2,650	5,663
Total Expenditures	22,473	34,188
Receipts Over (Under) Expenditures	33,327	22,287
Unencumbered Cash, Beginning	103,239	136,566
Unencumbered Cash, Ending	$ 136,566	$ 158,853

* This fund is not required to be budgeted.

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-20
Schedule of Receipts and Expenditures - Actual and Budget
Public Library Board Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	$ 10,145,708	$ 11,774,366	$ 11,774,674	$ (308)
Delinquent tax	334,860	401,694	337,419	64,275
Motor vehicle tax	1,015,709	1,116,323	746,828	369,495
Revenue in lieu of taxes	81,264	120,967	-	120,967
Federal aid	10,000	-	-	-
State aid	44,357	55,731	-	55,731
Other revenue from a local source	3,773,699	3,779,664	3,765,000	14,664
Interest	120,295	87,660	-	87,660
Donations	3,950	2,500	-	2,500
Other	630	299	-	299
Total Receipts	15,530,472	17,339,204	$ 16,623,921	$ 715,283
Expenditures				
Instruction	911	89,993	$ -	$ 89,993
Community service operations	8,244,933	9,411,013	50,000,000	(40,588,987)
Operations and maintenance	350,777	332,090	-	332,090
Total Expenditures	8,596,621	9,833,096	$ 50,000,000	$ (40,166,904)
Receipts Over (Under) Expenditures	6,933,851	7,506,108		
Unencumbered Cash, Beginning	33,548,783	40,482,634		
Unencumbered Cash, Ending	$ 40,482,634	$ 47,988,742		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 2-21
Schedule of Receipts and Expenditures - Actual and Budget
Public Library Board Employee Benefits Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	$ 1,380,781	$ 1,601,558	$ 1,602,390	$ (832)
Delinquent tax	45,624	54,724	45,922	8,802
Motor vehicle tax	138,241	151,937	101,727	50,210
Revenue in lieu of taxes	11,060	16,455	-	16,455
Total Receipts	1,575,706	1,824,674	$ 1,750,039	$ 74,635
Expenditures				
Community service operations	1,258,943	1,380,074	$ 1,723,254	$ (343,180)
Total Expenditures	1,258,943	1,380,074	$ 1,723,254	$ (343,180)
Receipts Over (Under) Expenditures	316,763	444,600		
Unencumbered Cash, Beginning	1,600,699	1,917,462		
Unencumbered Cash, Ending	$ 1,917,462	$ 2,362,062		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures - Actual and Budget
Bond and Interest Fund
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue:				
Ad valorem property taxes	$ 9,299,730	$ 10,801,569	$ 10,803,010	$ (1,441)
Delinquent tax	312,982	370,891	309,558	61,333
Motor vehicle tax	931,998	1,024,190	685,317	338,873
Revenue in lieu of taxes	74,556	110,974	-	110,974
State aid	4,418,659	3,045,236	3,045,236	-
Local sources	-	-	1,700,000	(1,700,000)
Transfer in	-	10,821,699	-	10,821,699
Total Receipts	15,037,925	26,174,559	16,543,121	9,631,438
Expenditures				
Bond principal	7,420,000	7,685,000	$ 7,685,000	$ -
Interest	7,817,555	7,542,231	7,541,182	1,049
Total Expenditures	15,237,555	15,227,231	$ 15,226,182	$ 1,049
Receipts Over (Under) Expenditures	(199,630)	10,947,328		
Unencumbered Cash, Beginning	9,780,290	9,580,660		
Unencumbered Cash, Ending	$ 9,580,660	$ 20,527,988		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
Capital Project Fund *
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Investment income	$ 635,760	$ 1,093,453
Reimbursements	-	1,682
Bond proceeds	-	180,000,000
Bond premium	-	7,672,861
Total Receipts	635,760	188,767,996
Expenditures		
Capital outlay	1,525,853	718,325
Bond issuance costs	-	2,350,619
Transfer out	-	10,821,699
Total Expenditures	1,525,853	13,890,643
Receipts Over (Under) Expenditures	(890,093)	174,877,353
Unencumbered Cash, Beginning	16,355,552	15,465,459
Unencumbered Cash, Ending	$ 15,465,459	$190,342,812

* This fund is not required to be budgeted.

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Receipts and Expenditures
School Worker's Compensation Reserve Fund *
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual and Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Receipts		
Investment income	$ 160,394	$ 116,881
Transfer in	218,632	1,419,172
Total Receipts	379,026	1,536,053
Expenditures		
General administration	2,273,083	1,536,053
Total Expenditures	2,273,083	1,536,053
Receipts Over (Under) Expenditures	(1,894,057)	-
Unencumbered Cash, Beginning	1,894,057	-
Unencumbered Cash, Ending	$ -	$ -

* This fund is not required to be budgeted.

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 3
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2025

FUNDS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High Schools				
Clubs and Societies	$ 423,305	$ 372,041	$ 430,329	$ 365,017
Total High Schools	423,305	372,041	430,329	365,017
Middle Schools				
Clubs and Societies	143,852	136,113	171,257	108,708
Total Middle Schools	143,852	136,113	171,257	108,708
Elementary Schools				
Clubs and Societies	131,632	41,516	63,172	109,976
Total Elementary Schools	131,632	41,516	63,172	109,976
Total Agency Funds	$ 698,789	$ 549,670	$ 664,758	$ 583,701

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500 Schedule 4

Schedule of Receipts, Expenditures and Unencumbered Cash

District Activity Fund

Regulatory Basis

For the Year Ended June 30, 2025

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
District Activity Fund	$ 190,439	$ -	$ 191,917	$ 201,671	$ 180,685	$ 2,701	$ 183,386

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster	Pass-Through Entity Identifying Number	Expenditures
U.S. Department of Agriculture				
Pass-Through Kansas Department of Education				
School Breakfast Program	10.553	1		$ 4,328,256
National School Lunch Program	10.555	1		11,376,459
Child and Adult Care Food Program	10.558			283,791
NSLP Equipment Assistance Grant	10.579			56,664
Summer Food Service Program for Children	10.559	1		1,001,900
Fresh Fruit and Vegetables	10.582	1		577,153
Total U.S. Department of Agriculture				**17,624,223**
U.S. Department of Education				
Pass-Through Kansas Department of Education				
Title I Grants to Local Educational Agencies	84.010A		S010A230016, S010A240016, S010A190016, S010A200016	12,802,687
Migrant Education State Grant Program	84.011A		S011A230016, S011A240016	412,381
Special Education Grants to States	84.027A	2	H027A230031, H027A240031	5,720,933
Career and Technical Education - Basic Grants to States	84.048A		V048A240016, V048A230016	518,687
Special Education Preschool Grants	84.173A	2	H173A230034, H173A240034	217,383
Kansas Early Childhood Developmental Services	84.181A			185,921
Education for Homeless Children and Youth	84.196A		S196A230017	31,741
Twenty-First Century Community Learning Centers	84.287C		S287C230016, S287C240016	509,340
English Language Acquisition State Grants	84.365A		S365A220016, S365A230016	943,114
Supporting Effective Instruction State Grants	84.367A		S367A220015, S367A230015, S367A240015	1,246,348
Student Support and Academic Enrichment Program	84.424A		S424A230017, S424A240017	706,059
Bipartisan Stronger Connections Grant	84.424F		S424F220017	279,808
COVID-19 - Education Stabilization Fund	84.425U		S425U210002	1,628,812
COVID-19 - Education Stabilization Fund	84.425W		S425W210017	142,376
Total U.S. Department of Education				**25,345,590**
U.S. Department of Health and Human Services				
Pass-Through Kansas Department of Education				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323			168,568
Direct Program				
Head Start	93.600	3		5,641,695
Total U.S. Department of Health and Human Services				**5,810,263**
Corporation for National and Community Service				
Passed Through Kansas State Department of Education				
Kansas Volunteer Comission Youth Mentor Mini Grant	94.021			2,000
Total Corporation for National and Community Service				**2,000**
Total Federal Assistance				**$ 48,782,076**

Clusters:

1 - Child Nutrition Cluster	$ 17,283,768
2 - Special Education Cluster (IDEA)	5,938,316
3 - Head Start Cluster	5,641,695

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

UNIFIED SCHOOL DISTRICT NO. 500
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

1. Organization

Kansas City, Kansas Public Schools Unified School District No. 500 (District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. The District elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position at June 30, 2025.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants at June 30, 2025.

6. Pass Through Entity Numbers

Grant numbers are not listed for several grants on the Schedule of Expenditures of Federal Awards. For those grants, pass through grantors have not assigned passthrough numbers to the passthrough grants noted in the schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified (Regulatory Basis) Adverse (GAAP)			
Internal control over financial reporting:				
• Material weaknesses identified?		Yes	X	No
• Significant deficiencies identified that are not considered to be material weaknesses?		Yes	X	None reported
• Noncompliance material to financial statements noted?		Yes	X	No

FEDERAL AWARDS

Internal control over major programs:				
• Material weaknesses identified?		Yes	X	No
• Significant deficiencies identified that are not considered to be material weaknesses?		Yes	X	None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a):		Yes	X	None Reported

Type of auditor's report issued on compliance for major programs:

CFDA Number	NAME OF FEDERAL PROGRAM	Opinion
10.553, 10.555, 10.559, 10.582	Child Nutrition Cluster	Unmodified
84.027, 84.173	Special Education Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs:	$ 1,463,462			
Auditee qualified as low-risk auditee?		Yes	X	No

UNIFIED SCHOOL DISTRICT NO. 500
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

None were reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None were reported.

Finding 2024-001 - Assistance #93.323 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - Procurement (Material Weakness):

Condition: The District did not follow their internal policy for procurement on nine (9) items charged to the grant. The District obtained quotes on all but one (1) item; however, the amount of quotes obtained were not sufficient under the District's policy.

Recommendations: We recommend the District implement a control to ensure the proper number of quotes obtained on purchases meets the District's policy.

Status: Resolved.

AGH
CPAs & ADVISORS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 500
Kansas City, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the Kansas Municipal Audit and Accounting Guide, the financial statements of the Kansas City, Kansas Public Schools Unified School District No. 500 (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 20, 2026. The District prepared the regulatory basis financial statement to meet the requirements of the State of Kansas 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.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements 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 the District's financial statements are 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 statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Overland Park, Kansas
January 20, 2026

AGH
CPAs & ADVISORS

Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 500
Kansas City, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Kansas City, Kansas Unified School District No. 500 (District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Overland Park, KS
January 20, 2026