

**Educational Services and Staff Development Association
of Central Kansas**

Interlocal Unified School District No. 622

Independent Auditor's Report and Financial Statement
and Regulatory Required Supplementary Information

June 30, 2017



**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
June 30, 2017**

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Independent Auditor's Report

Board of Directors
Educational Services and Staff Development
Association of Central Kansas
Interlocal Unified School District No. 622
Hutchinson, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, Kansas, as of and for the year ended June 30, 2017, and the related notes to the financial statement.

Management's Responsibility 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 to meet the financial reporting requirements of the State of Kansas. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, Kansas, 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.

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.

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 Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the 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 Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, Kansas as of June 30, 2017, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, Kansas, as of June 30, 2017, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, and summary of regulatory basis receipts and disbursements – agency fund (Schedules 1, 2, and 3 as listed in the table of contents) are presented for additional analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial

Board of Directors
Educational Services and Staff Development
Association of Central Kansas
Interlocal Unified School District No. 622
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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 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.

BKD, LLP

Wichita, Kansas
December 19, 2017

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Summary of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2017**

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures
General	\$ 59,781	\$ 700,398	\$ 420,371
Special Purpose			
Marketing and New Media	2,657	349,447	350,349
Student Services	1,466,911	2,645,550	2,665,088
Governance	-	268,876	268,876
Technology Services	-	268,721	268,721
Print Center Services	-	99,990	90,560
Presenter Match	-	402,983	402,983
Professional Learning	271,963	1,650,021	1,561,638
Back-End Office Support	84,599	926,948	1,011,547
Federal Funds			
Title III ESL	33,470	61,528	73,155
Carl Perkins	47,224	105,382	152,606
Total primary government	1,966,605	7,479,844	7,265,894
Related Municipal Entity			
Health Insurance Group	9,146,875	23,134,335	22,397,305
Total reporting entity (excluding Agency Fund)	<u>\$ 11,113,480</u>	<u>\$ 30,614,179</u>	<u>\$ 29,663,199</u>
Composition of Cash			
Checking accounts - Bank SNB			
Checking accounts - Central Bank and Trust			
Checking account - PayPal			
Total primary government			
Related municipal entity			
Certificates of deposit - Central Bank and Trust			
Repurchase agreements - Central Bank and Trust			
Total related municipal entity			
Agency Fund			
Total reporting entity (excluding Agency Fund)			

Ending Unencumbered Cash Balance	Add Outstanding Encumbrances	Ending Cash Balance
\$ 339,808	\$ -	\$ 339,808
1,755	-	1,755
1,447,373	-	1,447,373
-	-	-
-	-	-
9,430	-	9,430
-	-	-
360,346	-	360,346
-	-	-
21,843	-	21,843
-	-	-
2,180,555	-	2,180,555
9,883,905		9,883,905
<u>\$ 12,064,460</u>	<u>\$ -</u>	<u>\$ 12,064,460</u>

\$ 115,297
2,069,730
4,653
<u>2,189,680</u>
3,875,000
6,008,905
<u>9,883,905</u>
(9,125)
<u><u>\$ 12,064,460</u></u>

Educational Services and Staff Development Association of Central Kansas

Interlocal Unified School District No. 622

Notes to Financial Statement For the Year Ended June 30, 2017

Note 1: Summary of Significant Accounting Policies

This summary of significant accounting policies of Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622 (the Interlocal) is presented to assist in understanding the Interlocal's financial statement. The financial statement and notes are representations of the Interlocal's management, who is responsible for their integrity and objectivity. These accounting policies conform to a comprehensive basis of accounting other than generally accepted accounting principles and have been consistently applied in the preparation of the financial statement.

Reporting Entity

The Interlocal is a unified school district established as a cooperative to provide staff development services to participating unified school districts. In addition, the Interlocal formed a health benefit insurance group available to itself and participating districts. The Interlocal cannot levy taxes, but receives its revenue from federal and state aid and contracting participating unified school districts for staff development services. The Interlocal annually prepares a formal budget, which is filed with the Kansas State Department of Education.

The related municipal entity's section of the financial statement includes the financial data of the Health Insurance Group. This related municipal entity is reported separately to emphasize that it is legally separate from the Interlocal. The governing body of this related municipal entity is appointed by the Interlocal.

Health Insurance Group

On October 1, 1993, the Interlocal formed a health insurance group for itself and participating districts. Blue Cross and Blue Shield serves as the third-party administrator, handling claims and collecting premiums. The Interlocal serves as a flow through entity for these funds only.

Basis of Presentation

The financial activities of the Interlocal are recorded and presented on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the Interlocal for the fiscal year ending June 30, 2017:

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

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2017**

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

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

Basis of Accounting

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

The Interlocal 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.

Budget

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. 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.

The budget law K.S.A. 79-2925 applies to taxing subdivisions or municipalities. The Interlocal does not directly levy a tax, therefore, it is not subject to the budget law. The budget adopted by the Interlocal is a management tool, which is used to establish the Interlocal's internal spending limits.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2017**

Note 2: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan description. The Interlocal 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, Kansas 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 (not including the 1% contribution rate through March 31, 2016, with a 0% moratorium until June 30, 2017, for the Death and Disability Program) and the statutory contribution rate was 16.00% and 10.91%, respectively, for the fiscal year ended June 30, 2016. The actuarially determined employer contribution rate and the statutory contribution rate was 16.03% and 10.81%, respectively, for the fiscal year ended June 30, 2017. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091.

The State of Kansas is required to contribute the statutory required employer's share except for retired Interlocal employees. The Interlocal is responsible for the employer's portion of the cost for retired Interlocal employees. The Interlocal received and remitted amounts equal to the statutory contribution rate, which totaled \$327,602 for the year ended June 30, 2017.

**Educational Services and Staff Development Association
of Central Kansas**

Interlocal Unified School District No. 622

**Notes to Financial Statement
For the Year Ended June 30, 2017**

Net Pension Liability

At June 30, 2017, the Interlocal's proportionate share of the collective net pension liability reported by KPERS was \$264,072. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The Interlocal's proportion of the net pension liability was based on the ratio of the Interlocal'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, 2016. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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 3: Compensated Absences

Vacation

Full-time employees are granted paid vacation according to the following provisions:

- 1 - 5 years service = 10 days per year vacation
- 6 - 10 years service = 15 days per year vacation
- +11 years service = 20 days per year vacation

Vacation time may accumulate to 40 days. Days in excess of this limit must be used within the next fiscal year. Terminated or retiring employees shall have the option of being paid a percentage of his/her daily rate for that year, less appropriate payroll deductions, for any unused vacation days as indicated below. The maximum number of days that can be reimbursed shall not exceed 40.

Years of Service	Earned Vacation Days	Separation Reimbursement Rate
1-5	10	50%
6-10	15	70%
+11	20	90%

Sick Leave

Full-time employees are granted 10 days of leave per year with the ability to accumulate up to 70 days of sick leave if the days are not used in the current year. Terminated or retiring employees are compensated for their unused sick leave at the rate of \$15.00 per day.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2017**

Note 4: Deposits and Investments

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

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

Concentration of credit risk. State statutes place no limit on the amount the Interlocal 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 Interlocal's deposits may not be returned to it. State statutes require the Interlocal'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 Interlocal has no designated "peak periods."

Deposits

At June 30, 2017, the carrying amounts of the Interlocal's deposits were \$12,064,460. The bank balances were \$12,171,748. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$3,875,000 was covered by FDIC insurance via CDARS and the remaining amount was collateralized by pledged securities held under joint custody receipts issued by third-party banks in the Interlocal's name. The third-party banks holding the pledged securities are independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the Interlocal, the pledging bank and the independent third-party banks holding the pledged securities.

Note 5: Other Post-Employment Benefits

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

**Educational Services and Staff Development Association
of Central Kansas**

Interlocal Unified School District No. 622

**Notes to Financial Statement
For the Year Ended June 30, 2017**

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

Note 6: Risk Management

The Interlocal continues to carry commercial insurance for all other risks of loss, including property, liability, crime, inland marine, automobile and workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 7: Interfund Transactions

Operating transfers per K.S.A 72-6428 were as follows:

From	To	Amount
Print Center Services	Governance	\$ 3,467
Carl Perkins	Print Center Services	47,224
Student Services	Governance	265,000
Student Services	Technology Services	115,922
Student Services	Presenter Match	402,983
Student Services	Marketing and New Media	105,211
Student Services	Back-end Office Support Fund	67,217

Note 8: Lease Commitments

As of June 30, 2017, the Interlocal leased office space under various noncancellable operating leases. Future minimum lease payments required under the operating leases are as follows:

Year Ended June 30,	
2018	\$ 110,150
2019	109,000
2020	<u>50,667</u>
Total minimum lease payments	<u>\$ 269,817</u>

The Interlocal also has several month-to-month leases for various locations that are considered as operating leases with either party able to cancel with appropriate notice.

Educational Services and Staff Development Association of Central Kansas

Interlocal Unified School District No. 622

Notes to Financial Statement For the Year Ended June 30, 2017

Note 9: Stewardship, Compliance and Accountability

The Interlocal was in violation of statute K.S.A. 9-1402 with regards to adequate security of deposits at various days during the year. The violation was cured and balances were fully secured at June 30, 2017.

Note 10: Long-term Debt

Changes in long-term debt for the Interlocal for the year ended June 30, 2017, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Capital Leases									
Copiers	3.35%	6/30/2015	\$ 48,465	6/30/2019	\$ 35,883	\$ -	\$ 11,905	\$ 23,978	\$ 1,035
Copiers	3.35%	9/28/2015	\$ 32,191	9/28/2019	25,767	-	7,840	17,927	754
Copies	3.50%	8/23/2016	\$ 69,629	7/23/2021	-	69,629	12,031	57,598	1,879
Total					<u>\$ 61,650</u>	<u>\$ 69,629</u>	<u>\$ 31,776</u>	<u>\$ 99,503</u>	<u>\$ 3,668</u>

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

	2018	2019	2020	2021	2022	Total
Principal						
Capital leases	\$ 33,771	\$ 33,879	\$ 15,750	\$ 14,842	\$ 1,261	\$ 99,503
Interest						
Capital leases	<u>2,936</u>	<u>1,750</u>	<u>857</u>	<u>332</u>	<u>4</u>	<u>5,879</u>
Total principal and interest	<u>\$ 36,707</u>	<u>\$ 35,629</u>	<u>\$ 16,607</u>	<u>\$ 15,174</u>	<u>\$ 1,265</u>	<u>\$105,382</u>

Regulatory Required Supplemental Information

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Summary of Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

Funds	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General and other Special Purpose Funds*	\$ 7,040,133	\$ 7,040,133	\$ -

* The Interlocal does a budget for the entire entity, see *Note 1*

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

	Actual	Budget	Variance Over (Under)
Receipts			
Membership fees	\$ 320,559	\$ 700,398	\$ (379,839)
Interest income	13,094	-	13,094
Administrative service fees	207,964	-	207,964
Other	158,781	-	158,781
	<u>700,398</u>	<u>700,398</u>	<u>-</u>
Total receipts			
Expenditures			
General administration	57,754	420,371	(362,617)
Rent	63,886	-	63,886
Contractual services	198,242	-	198,242
Repairs and maintenance	17,871	-	17,871
Capital improvements	82,618	-	82,618
	<u>420,371</u>	<u>\$ 420,371</u>	<u>\$ -</u>
Total expenditures			
Receipts Over (Under) Expenditures	280,027		
Unencumbered Cash, Beginning	<u>59,781</u>		
Unencumbered Cash, Ending	<u><u>\$ 339,808</u></u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Marketing and New Media Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

	Actual	Budget	Variance Over (Under)
Receipts			
Print Center printing	\$ 32	\$ 349,447	\$ (349,415)
Retail sales	239,955	-	239,955
Other	4,249	-	4,249
Transfer from:			
Student Services Fund	<u>105,211</u>	<u>-</u>	<u>105,211</u>
Total receipts	<u>349,447</u>	<u>349,447</u>	<u>-</u>
Expenditures			
Administration	279,913	350,349	(70,436)
Resale products	55,279	-	55,279
Contractual services	3,639	-	3,639
Equipment	9,343	-	9,343
Travel	<u>2,175</u>	<u>-</u>	<u>2,175</u>
Total expenditures	<u>350,349</u>	<u>\$ 350,349</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(902)		
Unencumbered Cash, Beginning	<u>2,657</u>		
Unencumbered Cash, Ending	<u><u>\$ 1,755</u></u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Student Services Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

	Actual	Budget	Variance Over (Under)
Receipts			
District assessments	\$ 2,639,071	\$ 2,645,550	\$ (6,479)
Tutoring and tuition	5,385	-	5,385
Other	1,094	-	1,094
	<u>2,645,550</u>	<u>2,645,550</u>	<u>-</u>
Total receipts	<u>2,645,550</u>	<u>2,645,550</u>	<u>-</u>
Expenditures			
Administration	1,189,218	2,665,088	(1,475,870)
Materials	35,754	-	35,754
Administrative fees	204,274	-	204,274
Contractual services	80,666	-	80,666
Repair and maintenance	1,010	-	1,010
Rent	171,976	-	171,976
Travel	25,857	-	25,857
Transfers to:			
Governance	265,000	-	265,000
Technology Services	115,922	-	115,922
Presenter Match	402,983	-	402,983
Marketing and New Media	105,211	-	105,211
Back-end Office Support Fund	67,217	-	67,217
	<u>2,665,088</u>	<u>\$ 2,665,088</u>	<u>\$ -</u>
Total expenditures	<u>2,665,088</u>	<u>\$ 2,665,088</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(19,538)		
Unencumbered Cash, Beginning	<u>1,466,911</u>		
Unencumbered Cash, Ending	<u>\$ 1,447,373</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622**

Governance Fund

Schedule of Receipts and Expenditures – Actual and Budget

Regulatory Basis

For the Year Ended June 30, 2017

	Actual	Budget	Variance Over (Under)
Receipts			
Other	\$ 409	\$ 268,876	\$ (268,467)
Transfer from:			
Print Center Services Fund	3,467	-	3,467
Student Services Fund	<u>265,000</u>	<u>-</u>	<u>265,000</u>
Total receipts	<u>268,876</u>	<u>268,876</u>	<u>-</u>
Expenditures			
Administration	214,397	268,876	(54,479)
Contractual services	5,162	-	5,162
Travel	<u>49,317</u>	<u>-</u>	<u>49,317</u>
Total expenditures	<u>268,876</u>	<u>\$ 268,876</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Technology Services Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

	Actual	Budget	Variance Over (Under)
Receipts			
Consulting	\$ 50,155	\$ 268,721	\$ (218,566)
Retail	75,182	-	75,182
Other	27,462	-	27,462
Transfers from:			
Student Services Fund	115,922	-	115,922
Total receipts	<u>268,721</u>	<u>268,721</u>	<u>-</u>
Expenditures			
Administration	213,845	268,721	(54,876)
Contractual services	46,384	-	46,384
Repairs and maintenance	1,389	-	1,389
Travel	7,103	-	7,103
Total expenditures	<u>268,721</u>	<u>\$ 268,721</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u><u>\$ -</u></u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Print Center Services Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

	Actual	Budget	Variance Over (Under)
Receipts			
Printing	\$ 52,766	\$ 99,990	\$ (47,224)
Transfer from: Carl Perkins	<u>47,224</u>	<u>-</u>	<u>47,224</u>
Total receipts	<u>99,990</u>	<u>99,990</u>	<u>-</u>
Expenditures			
Administration	78,625	90,560	(11,935)
Contractual	7,237	-	7,237
Repair and maintenance	928	-	928
Travel	303	-	303
Transfer to: Governance	<u>3,467</u>	<u>-</u>	<u>3,467</u>
Total expenditures	<u>90,560</u>	<u>\$ 90,560</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	9,430		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 9,430</u>		

**Educational Services and Staff Development Association
 of Central Kansas
 Interlocal Unified School District No. 622
 Presenter Match Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended June 30, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Transfer from:			
Student Services Fund	\$ 402,983	\$ 402,983	\$ -
Expenditures			
Administration	<u>402,983</u>	<u>\$ 402,983</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Professional Learning Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

	Actual	Budget	Variance Over (Under)
Receipts			
Consulting	\$ 1,060,566	\$ 1,650,021	\$ (589,455)
Workshop fees	359,663	-	359,663
Retail	7,495	-	7,495
Other	222,297	-	222,297
	<u>1,650,021</u>	<u>1,650,021</u>	<u>-</u>
Total receipts			
	<u>1,650,021</u>	<u>1,650,021</u>	<u>-</u>
Expenditures			
Administration	1,012,219	1,561,638	(549,419)
Materials	176,733	-	176,733
Contractual services	69,058	-	69,058
Equipment	2,379	-	2,379
Travel	176,486	-	176,486
Resale products	124,763	-	124,763
	<u>1,561,638</u>	<u>\$ 1,561,638</u>	<u>\$ -</u>
Total expenditures			
	<u>1,561,638</u>	<u>\$ 1,561,638</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	88,383		
Unencumbered Cash, Beginning	<u>271,963</u>		
Unencumbered Cash, Ending	<u>\$ 360,346</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Back-End Office Support Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2017**

	Actual	Budget	Variance Over (Under)
Receipts			
Consulting	\$ 144,794	\$ 926,948	\$ (782,154)
Administrative services fees	136,101	-	136,101
Program fees	33,451	-	33,451
Copier program	438,748	-	438,748
Other	106,637	-	106,637
Transfer from:			
Student Services Fund	67,217	-	67,217
	<u>926,948</u>	<u>926,948</u>	<u>-</u>
Total receipts			
	<u>926,948</u>	<u>926,948</u>	<u>-</u>
Expenditures			
Administration	569,449	1,011,547	(442,098)
Resale products	1,793	-	1,793
Contractual services	11,444	-	11,444
Equipment	7,399	-	7,399
Travel	8,712	-	8,712
Lease payments	412,750	-	412,750
	<u>1,011,547</u>	<u>\$ 1,011,547</u>	<u>\$ -</u>
Total expenditures			
	<u>1,011,547</u>	<u>\$ 1,011,547</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(84,599)		
Unencumbered Cash, Beginning	<u>84,599</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
 of Central Kansas
 Interlocal Unified School District No. 622
 Federal Funds
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year Ended June 30, 2017**

	<u>Title III ESL</u>	<u>Carl Perkins</u>
Receipts		
Federal funds	\$ 61,528	\$ 105,382
Expenditures		
Direct services	73,155	105,382
Transfer to		
Print Center Services Fund	<u>-</u>	<u>47,224</u>
Total expenditures	<u>73,155</u>	<u>152,606</u>
Receipts Over (Under) Expenditures	(11,627)	(47,224)
Unencumbered Cash, Beginning	<u>33,470</u>	<u>47,224</u>
Unencumbered Cash, Ending	<u><u>\$ 21,843</u></u>	<u><u>\$ -</u></u>

**Educational Services and Staff Development Association
 of Central Kansas
 Interlocal Unified School District No. 622
 Related Municipal Entity
 Health Insurance Group
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year Ended June 30, 2017**

	<u>Actual</u>
Receipts	
Premiums and fees collected	\$ 23,066,913
Interest	<u>67,422</u>
Total receipts	<u>23,134,335</u>
Expenditures	
Claims incurred and fees paid	22,270,827
Other	<u>126,478</u>
Total expenditures	<u>22,397,305</u>
Receipts Over (Under) Expenditures	737,030
Unencumbered Cash, Beginning	<u>9,146,875</u>
Unencumbered Cash, Ending	<u><u>\$ 9,883,905</u></u>

**Educational Services and Staff Development Association
 of Central Kansas
 Interlocal Unified School District No. 622
 Agency Fund
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended June 30, 2017**

Funds	Beginning Cash Balance	Cash Receipts	Disbursements	Ending Cash Balance
Foundation for Leadership and Learning	<u>\$ 8,246</u>	<u>\$ 5,752</u>	<u>\$ 4,873</u>	<u>\$ 9,125</u>