USD 415 - HIAWATHA

Hiawatha, Kansas

FINANCIAL STATEMENT

WITH REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

and

INDEPENDENT AUDITOR'S REPORT

June 30, 2024

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

USD 415 - HIAWATHA
Hiawatha, Kansas
TABLE OF CONTENTS
June 30, 2024

		Page
INDEPENDENT AUDITOR'S REPORT		1 - 3
FINANCIAL STATEMENT		
Summary Statement Of Receipts, Expenditures And Unencumbered Cash	Statement 1	4 - 5
NOTES TO FINANCIAL STATEMENT		6 - 13
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION		
Summary of Expenditures - Actual and Budget	Schedule 1	15
Schedule of Receipts and Expenditures - Actual and Budget		
General Fund	Schedule 2	16
Supplemental General Fund	Schedule 2	17
Bilingual Education	Schedule 2	18
Virtual Education	Schedule 2	19
Capital Outlay Fund	Schedule 2	20
Driver Training Fund	Schedule 2	21
Food Service Fund	Schedule 2	22
Professional Development Fund	Schedule 2	23
Parent Education Fund	Schedule 2	24
Special Education Fund	Schedule 2	25
Career and Postsecondary Education	Schedule 2	26
KPERS Special Retirement Contribution Fund	Schedule 2	27
Preschool-Aged At-Risk Fund	Schedule 2	28
At-Risk (K-12) Fund	Schedule 2	29
Bond and Interest Fund	Schedule 2	30
Schedule of Receipts and Expenditures - Non-Budgeted Funds		31 - 32
Schedule of Receipts and Expenditures - Trust Funds		33
Summary of Receipts and Disbursements - Agency Funds	Schedule 3	34
Schedule of Receipts, Expenditures and Unencumbered Cash - District Activity Funds	Schedule 4	35
OTHER SUPPLEMENTARY INFORMATION		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*		36 - 37
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance With The Uniform Guidance		38 - 39
Schedule of Expenditures of Federal Awards		40
Schedule of Findings and Questioned Costs		41

November 7, 2024

Board of Education
USD 415 - Hiawatha
Hiawatha, Kansas

Independent Auditor's Report

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of USD 415 - Hiawatha (the District), as of and for the year ended June 30, 2024 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, 2024, 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, 2024, and the aggregate receipts and expenditures for they year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* (KMAAG) described in Note 1.

Basis for Adverse and Unmodified Opinions
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), KMAAG and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement
Management is responsible for the preparation and fair presentation of the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 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.

1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1020 Commercial St., Suite A
Emporia, KS 66801

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 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, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

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, 2023 (not presented herein), and have issued our report thereon dated May 15, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipal-services. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2024 (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 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 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 2023 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 2023 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 Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the District's basic financial statement. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole.

Other Reporting Required by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated November 7, 2024 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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

USD 415 - HIAWATHA
Hiawatha, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS							
General Funds							
General	$ -	$ 9,209	$ 8,446,051	$ 8,455,260	$ -	$ 651,739	$ 651,739
Supplemental General	116,985	102	2,582,521	2,579,843	119,765	54,050	173,815
Special Purpose Funds							
Budgeted							
Bilingual Education	30,204	-	23,301	25,531	27,974	-	27,974
Virtual Education	19,826	-	10,000	10,278	19,548	1,713	21,261
Capital Outlay	1,909,807	-	1,030,469	847,555	2,092,721	216,052	2,308,773
Driver Training	31,810	-	3,770	5,008	30,572	-	30,572
Food Service	251,819	-	697,523	701,638	247,704	66,048	313,752
Professional Development	50,059	650	8,000	10,768	47,941	113	48,054
Parent Education	25,500	-	30,000	25,000	30,500	-	30,500
Special Education	806,316	-	1,727,999	1,717,015	817,300	-	817,300
Career & Postsecondary Education	120,951	-	296,741	289,831	127,861	27,915	155,776
KPERS Special Retirement Contribution	-	-	883,643	883,643	-	-	-
Preschool-Aged At-Risk	73,181	-	98,428	97,383	74,226	10,611	84,837
At-Risk (K-12)	145,731	584	1,513,607	1,602,386	57,536	66,548	124,084
Non-Budgeted							
Contingency Reserve	800,000	-	-	-	800,000	-	800,000
Gifts & Grants	175,278	-	36,519	32,732	179,065	-	179,065
Student Material Revolving	85,722	-	37,012	12,072	110,662	341	111,003
Textbook Rental	116,807	-	15,314	54,281	77,840	7,909	85,749
Title I Low Income	(37,072)	-	221,588	221,588	(37,072)	23,023	(14,049)
Title IIA Teacher Quality	(1,117)	-	32,973	31,881	(25)	963	938
Title IVA Academic Enrichment	-	-	21,818	21,818	-	-	-
ESSER II	(97,739)	250	89,567	86,159	(94,081)	32,840	(61,241)
ESSER III	(483,340)	-	1,132,117	730,394	(81,617)	77,710	(3,907)
Petty cash	1,220	140	1,032	-	2,392	-	2,392
District activities	75,177	-	155,294	153,824	76,647	-	76,647

(continued)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

USD 415 - HIAWATHA
Hiawatha, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Bond and Interest Fund							
Bond & Interest	$ 1,943,796	$ -	$ 973,254	$ 916,745	$ 2,000,305	$ -	$ 2,000,305
Trust Funds							
Cox Scholarship	639	-	-	100	539	-	539
Virginia Ruth Scholarship	257,973	-	18,113	25,250	250,836	-	250,836
Crow Memorial Scholarship	152	-	36	100	88	-	88
Kidwell Memorial Scholarship	3,020	-	1	-	3,021	-	3,021
Total Reporting Entity (Excluding Agency Funds)	$ 6,422,705	$ 10,935	$20,086,691	$ 19,538,083	$ 6,982,248	$ 1,237,575	$ 8,219,823

Composition of Cash	
Bank deposits	$ 8,335,850
Less: Agency funds per Schedule 3	(116,027)
Total Reporting Entity (Excluding Agency Funds)	$ 8,219,823

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

USD 415 - HIAWATHA
Hiawatha, Kansas
NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2024

Note 1: Summary of Significant Accounting Policies

USD #415 Hiawatha (the District) is a municipal corporation governed by an elected seven member board. The financial statement includes the District only.

Regulatory Basis Fund Types

The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The District could have the following types of funds:

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

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

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

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

Trust Funds -- funds used to report assets held in trust for the benefit of the municipal financial reporting entity.

Agency Funds -- used to report assets held by the District in a purely custodial capacity.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United State of America

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

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

Use of Estimates

The preparation of a financial statement on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2: 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. 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 twelve month period on or before August 1st of each year.
2. Publication in a local newspaper of the proposed budget and notice of public hearing on the budget.
3. Public hearing at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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.

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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment to Comply with Legal Max - Unified school districts use this line item (for use in the budget column only) to adjust the certified budget to comply with the "Legal Max" budget. The State Board of Education calculates the "Legal Max" budget using enrollment figures. The District's budgeted expenditures are limited to the lower of the published budget or the "Legal Max" budget.

Adjustment for Qualifying Budget Credits - Districts may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

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

A legal operating budget is not required for capital project funds, trust and agency funds, and the following special purpose funds:

Contingency Reserve	Title IIA Teacher Quality	Title I Low Income
Gifts and Grants	ESSER	Title IIA Teacher Quality
Student Material Revolving	ESSER II	
Textbook Rental	ESSER III	

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

Note 3: Deposits and Investments

K.S.A. 9-1401 established 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 or depository risk.

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

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

Custodial credit risk -- deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. K.S.A. 9-1402 and 9-1405 require the District's deposits in a financial institution 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, Kansas (FHLB), except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All bank deposits were legally secured at June 30, 2024.

At June 30, 2024, the carrying amount of the District's bank deposits was $8,335,850. The bank balance was $8,633,252. The bank balance was held by three banks resulting in a concentration of deposit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, $528,668 was secured by FDIC insurance and the remaining balance was collateralized by bank pledged securities.

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: Interfund Transfers

The District made the following operating transfers which were approved by the Board of Education:

Fund From	Fund To	Statutory Authority	Amount
General	At-Risk (K-12)	K.S.A. 72-5167	$ 1,198,733
General	Capital Outlay	K.S.A. 72-5167	115,256
General	Special Education	K.S.A. 72-5167	1,062,314
General	Career and Postsecondary Education	K.S.A. 72-5167	128,055
General	Food Service	K.S.A. 72-5167	84,064
General	Preschool-Aged At-Risk	K.S.A. 72-5167	74,879
General	Bilingual Education	K.S.A. 72-5167	22,000
General	Virtual Education	K.S.A. 72-5167	10,000
General	Professional Development	K.S.A. 72-5167	8,000
General	Parent Education	K.S.A. 72-5167	30,000
Supplemental	At-Risk (K-12)	K.S.A. 72-5143	314,874
Supplemental	Bilingual Education	K.S.A. 72-5143	1,301
Supplemental	Special Education	K.S.A. 72-5143	665,685
Supplemental	Preschool-Aged At-Risk	K.S.A. 72-5144	23,549
Supplemental	Career and Postsecondary Education	K.S.A. 72-5143	82,197
	Total Transfers		$ 3,820,907

Note 5: Other Long-Term Obligations from Operations

Other Post Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

Compensated Absences

Most administrative and classified personnel employed on a twelve month full-time (32 hours per week) status are eligible for a paid two week vacation. Following the completion of ten years of employment, the employee is eligible for three weeks paid vacation. Only one week of unused vacation may be carried into the next year. A week is defined as five working days. It is the District's policy to pay employees accrued vacation pay upon termination of employment.

The District also has available sick leave for all. Employees accrue sick leave at the rate of fifteen days per year, with the maximum accumulation of one hundred days. Upon termination, employees are not paid for any accumulated sick leave.

Note 5: Other Long-Term Obligations from Operations (Continued)

Termination Benefits

Resignation Compensation

The District provides a plan which covers classified personnel who are eligible to receive retirement benefits from either the Kansas Public Employees Retirement System or the Social Security Administration and have been employed by the district for at least fifteen years. To be eligible, the District must receive the employee's retirement resignation by February 15 of the year in which the retirement occurs. Eligible classified employees will receive a one-time payment based on the number of years of service in the District, payable in a lump sum at the end of the school year. The amount of the compensation is determined as follows:

Years of Service to the District	Classified Compensation
15 Years	$ 1,500
Per Year Beyond 15 Years	50

Certified and administrative employees receive a $1,500 increase to their final contract if a letter of resignation is submitted by July 1, prior to the year they are leaving. A $500 increase to the final contract is provided if a letter of resignation is submitted by January 1 of the year they are leaving. These benefits are offered to certified and administrative employees, with no conditions related to years of service.

Health Insurance Plan

The certified and administrative employees who retire under the plan are eligible to continue in the health insurance plan of the District as well as receive the District's contribution for the single health insurance policy equal to the benefit given in the year of retirement until the employee reaches age 65. Beginning in the 2016-2017 school year, the employer subsidized post-retirement health insurance payment will reduce by 10% each year.

Note 6: Claims and Judgements

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

During the ordinary course of its operation the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have material impact on the District. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2023 to 2024, and there were no settlements that exceeded insurance coverage in the past three years.

Note 7: Long-Term Debt

Changes in long-term liabilities of the District for the year were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning of Year	Additions	Reductions/ Payments	End of Year	Interest Paid
General Obligation Bonds									
2015-A Improvement Bonds	2.00 to 3.00%	6/4/2015	$ 9,200,000	9/1/2023	$ 610,000	$ -	$ 610,000	$ -	$ 6,862
Series 2021 Refunding Bonds	.2 to 1.55%	6/29/2021	5,065,000	9/1/2028	4,765,000	-	250,000	4,515,000	49,883
Total Long-Term Debt					$ 5,375,000	$ -	$ 860,000	$ 4,515,000	$ 56,745

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

	2025	2026	2027	2028	2029	2030-2034	Total
Principal							
Series 2021	$ 885,000	$ 895,000	$ 900,000	$ 910,000	$ 925,000	$ -	$ 4,515,000
Interest							
Series 2021	$ 47,012	$ 40,550	$ 31,572	$ 20,480	$ 7,169	$ -	$ 146,783
Total Debt Payments	$ 932,012	$ 935,550	$ 931,572	$ 930,480	$ 932,169	$ -	$ 4,661,783

Note 8: Pension Plans

Defined Benefit Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 13.88% and 13.11%, respectively, for the fiscal year ended June 30, 2023. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57% for the fiscal year ended June 30, 2024.

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 $883,643 for the year ended June 30, 2024.

Note 8: Pension Plans (Continued)

Defined Benefit Pension Plan (Continued)

Net Pension Liability: At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $8,194,573. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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 the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 9: Subsequent Events

The District evaluated subsequent events through November 7, 2024, the date the financial statement was available to be issued.

Note 10: Stewardship, Compliance and Accountability

Funds with a Deficit Unencumbered Cash Balance - Generally, municipals are required by K.S.A. 10-1113 to limit fund expenditures to the available monies in that fund. K.S.A. 12-1664 provides an exception for those funds which are to be financed by Federal government sources. This exception allows these funds to expend in excess of currently available resources with the expectation that the District will be reimbursed for qualifying grant expenditures.

The following funds had a deficit balance of unencumbered cash as of June 30, 2024: Title I Low Income, Title IIA Teacher Quality, ESSER II and ESSER III. These funds are financed by State and Federal funding and the District is expecting reimbursement of qualifying grant expenditures.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

USD 415 - HIAWATHA
Hiawatha, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2024

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental Type Funds						
General Funds						
General	$ 8,593,285	$ (147,250)	$ 9,225	$ 8,455,260	$ 8,455,260	$ -
Supplemental General	2,602,262	-	-	2,602,262	2,579,843	(22,419)
Special Purpose Funds						
Bilingual Education	33,219	-	-	33,219	25,531	(7,688)
Virtual Education	24,970	-	-	24,970	10,278	(14,692)
Capital Outlay	2,623,999	-	-	2,623,999	847,555	(1,776,444)
Driver Training	35,320	-	-	35,320	5,008	(30,312)
Food Service	948,007	-	-	948,007	701,638	(246,369)
Professional Development	56,495	-	-	56,495	10,768	(45,727)
Parent Education	25,500	-	-	25,500	25,000	(500)
Special Education	1,869,377	-	-	1,869,377	1,717,015	(152,362)
Career and Postsecondary Education	295,007	-	-	295,007	289,831	(5,176)
KPERS Special Retirement Contribution	1,013,101	-	-	1,013,101	883,643	(129,458)
Preschool-Aged At-Risk	130,531	-	-	130,531	97,383	(33,148)
At-Risk (K-12)	1,703,047	-	-	1,703,047	1,602,386	(100,661)
Bond and Interest Fund						
Bond and Interest	916,756	-	-	916,756	916,745	(11)
Total of all Funds	$ 20,870,876	$ (147,250)	$ 9,225	$ 20,732,851	$ 18,167,884	$ (2,564,967)

USD 415 - HIAWATHA
Hiawatha, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Reimbursed expenditures	$ 3,308	$ 16	$ -	$ 16
State Sources				
General state aid	8,307,306	7,494,947	7,530,224	(35,277)
Special education aid	-	951,088	1,063,061	(111,973)
Total Cash Receipts	$ 8,310,614	$ 8,446,051	$ 8,593,285	$ (147,234)
EXPENDITURES				
Instruction	$ 3,419,718	$ 3,636,254	$ 3,822,313	$ (186,059)
Student support services	162,698	131,116	178,801	(47,685)
Instructional support staff	242,707	232,482	264,227	(31,745)
General administration	364,516	363,548	408,708	(45,160)
School administration	709,710	711,327	763,363	(52,036)
Central services	279,138	281,528	308,632	(27,104)
Operations and maintenance	29,249	12,660	37,120	(24,460)
Student transportation	383,438	353,044	476,899	(123,855)
Transfers to other funds	2,719,440	2,733,301	2,333,222	400,079
Adjustment to comply with legal maximum	-	-	(147,250)	147,250
Legal general fund budget and expenditures	$ 8,310,614	$ 8,455,260	$ 8,446,035	$ 9,225
Adjustments for qualifying budget credits	-	-	9,225	(9,225)
Total Expenditures	$ 8,310,614	$ 8,455,260	$ 8,455,260	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ (9,209)		
UNENCUMBERED CASH - BEGINNING	-	-		
Cancellation of Encumbrance	-	9,209		
UNENCUMBERED CASH - ENDING	$ -	$ -		

USD 415 - HIAWATHA
Hiawatha, Kansas
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Ad valorem taxes	$ 2,279,797	$ 2,419,522	$ 57,930	$ 2,361,592
Delinquent taxes	19,465	29,706	12,127	17,579
County Sources				
Motor vehicle taxes	109,180	114,846	114,525	321
Recreational vehicle taxes	3,265	2,989	3,260	(271)
Commercial vehicle taxes	14,615	14,960	15,778	(818)
In lieu of taxes	-	498	-	498
State Sources				
Supplemental state aid	15,674	-	-	-
Total Cash Receipts	$ 2,441,996	$ 2,582,521	$ 203,620	$ 2,378,901
EXPENDITURES				
Instruction	$ 87,734	$ 118,145	$ 270,880	$ (152,735)
Student support services	351	446	-	446
Instructional support staff	-	-	5,000	(5,000)
General administration	40,598	34,655	56,100	(21,445)
School administration	39,448	43,239	45,500	(2,261)
Central services	-	555	6,000	(5,445)
Operations and maintenance	1,222,200	1,282,359	1,707,800	(425,441)
Student transportation	-	10,196.00	22,600	(12,404)
Other support services	16,287	2,642	-	2,642
Transfers to other funds	1,085,331	1,087,606	488,382	599,224
Total Expenditures	$ 2,491,949	$ 2,579,843	$ 2,602,262	$ (22,419)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (49,953)	$ 2,678		
UNENCUMBERED CASH - BEGINNING	166,938	116,985		
Cancellation of Encumbrance	-	102		
UNENCUMBERED CASH - ENDING	$ 116,985	$ 119,765		

USD 415 - HIAWATHA
Hiawatha, Kansas
BILINGUAL EDUCATION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Other Sources				
Transfers from other funds	$ 24,111	$ 23,301	$ 3,015	$ 20,286
EXPENDITURES				
Instruction	$ 27,111	$ 25,531	$ 33,219	$ (7,688)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (3,000)	$ (2,230)		
UNENCUMBERED CASH - BEGINNING	33,204	30,204		
UNENCUMBERED CASH - ENDING	$ 30,204	$ 27,974		

USD 415 - HIAWATHA
Hiawatha, Kansas
VIRTUAL EDUCATION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Other Sources				
Transfers from other funds	$ 10,000	$ 10,000	$ 5,000	$ 5,000
EXPENDITURES				
Instruction	$ 10,186	$ 10,278	$ 24,970	$ (14,692)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (186)	$ (278)		
UNENCUMBERED CASH - BEGINNING	20,012	19,826		
UNENCUMBERED CASH - ENDING	$ 19,826	$ 19,548		

USD 415 - HIAWATHA
Hiawatha, Kansas
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Ad valorem taxes	$ 844,363	$ 598,180	$ 592,577	$ 5,603
Delinquent taxes	6,936	10,577	4,492	6,085
Interest On Idle Funds	71,380	126,018	-	126,018
Other	65,516	131,653	-	131,653
County Sources				
Motor vehicle taxes	45,911	47,688	43,035	4,653
Recreational vehicle taxes	1,222	1,097	1,225	(128)
Commercial vehicle taxes	342	-	5,929	(5,929)
Transfers from other funds	129,972	115,256	-	115,256
Total Cash Receipts	$ 1,165,642	$ 1,030,469	$ 647,258	$ 383,211
EXPENDITURES				
Instruction	$ 205,307	$ 191,439	$ 211,538	$ (20,099)
Student support services	13,823	-	82,000	(82,000)
Instructional support staff	2,243	-	4,250	(4,250)
General administration	1,535	4,078	2,500	1,578
School administration	3,345	23,970	17,700	6,270
Central services	6,600	-	25,500	(25,500)
Operations and maintenance	431,048	217,696	1,077,187	(859,491)
Student transportation	41,174	77,310	305,600	(228,290)
Facility acquisition and construction	611,756	333,062	897,724	(564,662)
Total Expenditures	$ 1,316,831	$ 847,555	$ 2,623,999	$ (1,776,444)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (151,189)	$ 182,914		
UNENCUMBERED CASH - BEGINNING	2,060,996	1,909,807		
Cancellation of Encumbrance	-	-		
UNENCUMBERED CASH - ENDING	$ 1,909,807	$ 2,092,721		

USD 415 - HIAWATHA
Hiawatha, Kansas
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Other	$ 4,320	$ -	$ -	$ -
State Sources				
State safety aid	4,060	3,770	3,510	260
Total Cash Receipts	$ 8,380	$ 3,770	$ 3,510	$ 260
EXPENDITURES				
Instruction	$ 5,702	$ 5,008	$ 35,320	$ (30,312)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 2,678	$ (1,238)		
UNENCUMBERED CASH - BEGINNING	29,132	31,810		
UNENCUMBERED CASH - ENDING	$ 31,810	$ 30,572		

USD 415 - HIAWATHA
Hiawatha, Kansas
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Food service sales	$ 193,453	$ 183,558	$ 190,940	$ (7,382)
Other	7,302	-	29,475	(29,475)
State Sources				
School food assistance	5,160	4,992	4,900	92
Federal Sources				
Child nutrition programs	504,709	424,909	468,276	(43,367)
Other Sources				
Transfers from other funds	-	84,064	-	84,064
Total Cash Receipts	$ 710,624	$ 697,523	$ 693,591	$ 3,932
EXPENDITURES				
Food service	$ 711,962	$ 701,638	$ 948,007	$ (246,369)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (1,338)	$ (4,115)		
UNENCUMBERED CASH - BEGINNING	253,157	251,819		
UNENCUMBERED CASH - ENDING	$ 251,819	$ 247,704		

USD 415 - HIAWATHA
Hiawatha, Kansas
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
State Sources				
Professional development aid	$ -	$ -	$ 6,436	$ (6,436)
Other Sources				
Transfers from other funds	33,127	8,000	-	8,000
Total Receipts	$ 33,127	$ 8,000	$ 6,436	$ 1,564
EXPENDITURES				
Instructional support staff	$ 27,009	$ 9,055	$ 53,995	$ (44,940)
Central services	1,558	1,713	2,500	(787)
Total Expenditures	$ 28,567	$ 10,768	$ 56,495	$ (45,727)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 4,560	$ (2,768)		
UNENCUMBERED CASH - BEGINNING	45,499	50,059		
Cancellation of Encumbrance	-	650		
UNENCUMBERED CASH - ENDING	$ 50,059	$ 47,941		

USD 415 - HIAWATHA
Hiawatha, Kansas
PARENT EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Other Sources				
Transfers from other funds	$ 21,000	$ 30,000	$ -	$ 30,000
EXPENDITURES				
Student support services	$ 21,000	$ 25,000	$ 25,500	$ (500)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ 5,000		
UNENCUMBERED CASH - BEGINNING	25,500	25,500		
UNENCUMBERED CASH - ENDING	$ 25,500	$ 30,500		

USD 415 - HIAWATHA
Hiawatha, Kansas
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS				
Other Sources				
Transfers from other funds	$ 1,741,391	$ 1,727,999	$ 1,063,061	$ 664,938
EXPENDITURES				
Instruction	$ 1,694,544	$ 1,715,160	$ 1,869,377	$ (154,217)
Operations and maintenance	462	1,855	-	1,855
Total Expenditures	$ 1,695,006	$ 1,717,015	$ 1,869,377	$ (152,362)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 46,385	$ 10,984		
UNENCUMBERED CASH - BEGINNING	759,931	806,316		
UNENCUMBERED CASH - ENDING	$ 806,316	$ 817,300		

USD 415 - HIAWATHA
Hiawatha, Kansas
CAREER AND POSTSECONDARY EDUCATION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Other	$ 2,176	$ -	$ -	$ -
State Sources				
CTE transportation aid	-	83,048	13,800	69,248
Federal Sources				
CTE basic aid	2,942	3,441	-	3,441
Other Sources				
Transfers from other funds	267,057	210,252	153,152	57,100
Total Cash Receipts	$ 272,175	$ 296,741	$ 166,952	$ 129,789
EXPENDITURES				
Instruction	$ 251,890	$ 263,119	$ 262,385	$ 734
Student transportation services	29,216	26,712	32,622	(5,910)
Total Expenditures	$ 281,106	$ 289,831	$ 295,007	$ (5,176)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (8,931)	$ 6,910		
UNENCUMBERED CASH - BEGINNING	129,882	120,951		
Cancellation of Encumbrance	-	-		
UNENCUMBERED CASH - ENDING	$ 120,951	$ 127,861		

USD 415 - HIAWATHA
Hiawatha, Kansas
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
CASH RECEIPTS				
State Sources				
State Aid	$ 880,957	$ 883,643	$ 1,013,101	$ (129,458)
EXPENDITURES				
Instruction	$ 550,472	$ 552,150	$ 633,043	$ (80,893)
Student support services	45,321	45,459	52,119	(6,660)
Instructional support staff	24,657	24,732	28,356	(3,624)
General administration	31,939	32,037	36,730	(4,693)
School administration	80,426	80,671	92,490	(11,819)
Central services	38,216	38,333	43,948	(5,615)
Operations and maintenance	66,198	66,400	76,128	(9,728)
Student transportation	21,529	21,594	24,758	(3,164)
Food service	22,199	22,267	25,529	(3,262)
Total Expenditures	$ 880,957	$ 883,643	$ 1,013,101	$ (129,458)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ -		
UNENCUMBERED CASH - BEGINNING	-	-		
UNENCUMBERED CASH - ENDING	$ -	$ -		

USD 415 - HIAWATHA
Hiawatha, Kansas
PRESCHOOL-AGED AT-RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Other Sources				
Transfers in from other funds	$ 113,683	$ 98,428	$ 56,252	$ 42,176
EXPENDITURES				
Instruction	$ 115,850	$ 97,383	$ 130,531	$ (33,148)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (2,167)	$ 1,045		
UNENCUMBERED CASH - BEGINNING	75,348	73,181		
UNENCUMBERED CASH - ENDING	$ 73,181	$ 74,226		

USD 415 - HIAWATHA
Hiawatha, Kansas
AT-RISK (K-12) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS				
Other Sources				
Transfers from other funds	$ 1,464,430	$ 1,513,607	$ 1,541,124	$ (27,517)
EXPENDITURES				
Instruction	$ 1,335,246	$ 1,460,672	$ 1,499,145	$ (38,473)
Student support services	180,027	141,714	203,902	(62,188)
Total Expenditures	$ 1,515,273	$ 1,602,386	$ 1,703,047	$ (100,661)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (50,843)	$ (88,779)		
UNENCUMBERED CASH - BEGINNING	196,574	145,731		
Cancellation of Encumbrance	-	584		
UNENCUMBERED CASH - ENDING	$ 145,731	$ 57,536		

USD 415 - HIAWATHA
Hiawatha, Kansas
BOND & INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Actual Totals For The Prior Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Ad valorem tax	$ 889,994	$ 909,089	$ 898,645	$ 10,444
Delinquent tax	8,512	12,500	4,735	7,765
County Sources				
Motor vehicle tax	43,061	44,482	45,286	(804)
Recreational vehicle tax	1,287	1,159	1,290	(131)
Commercial vehicle tax	5,651	5,837	6,239	(402)
In lieu of tax	-	187	-	187
Total Cash Receipts	$ 948,505	$ 973,254	$ 956,195	$ 17,059
EXPENDITURES				
Debt service	$ 915,308	$ 916,745	$ 916,756	$ (11)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 33,197	$ 56,509		
UNENCUMBERED CASH - BEGINNING	1,910,599	1,943,796		
UNENCUMBERED CASH - ENDING	$ 1,943,796	$ 2,000,305		

USD 415 - HIAWATHA
Hiawatha, Kansas
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
NON-BUDGETED FUNDS
For the Year Ended June 30, 2024

	Petty Cash	Contingency Reserve	Gifts & Grants	Student Material Revolving	Textbook Rental
RECEIPTS					
Local Sources					
Student activities	$ -	$ -	$ 7,839	$ 37,012	$ -
Other	1,032	-	28,680	-	15,314
Total Receipts	$ 1,032	$ -	$ 36,519	$ 37,012	$ 15,314
EXPENDITURES					
Instruction	$ -	$ -	$ 12,021	$ 11,307	$ 54,281
Student support services	-	-	18,587	-	-
Instructional support staff	-	-	-	765	-
Operations and maintenance	-	-	-	-	-
Food service	-	-	2,124	-	-
Total Expenditures	$ -	$ -	$ 32,732	$ 12,072	$ 54,281
RECEIPTS OVER (UNDER) EXPENDITURES	$ 1,032	$ -	$ 3,787	$ 24,940	$ (38,967)
UNENCUMBERED CASH - BEGINNING	1,220	800,000	175,278	85,722	116,807
Cancellation of Encumbrance	140	-	-	-	-
UNENCUMBERED CASH - ENDING	$ 2,392	$ 800,000	$ 179,065	$ 110,662	$ 77,840

(Continued)

USD 415 - HIAWATHA
Hiawatha, Kansas
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
NON-BUDGETED FUNDS (CONTINUED)
For the Year Ended June 30, 2024

	Title I Low Income	Title IIA Teacher Quality	ESSER II	ESSER III	Title IVA Ac Enrichmt
RECEIPTS					
Federal Sources					
Federal Aid	$ 221,588	$ 32,973	$ 89,567	$ 1,132,117	$ 21,818
EXPENDITURES					
Instruction	$ 221,588	$ 5,265	$ 76,186	$ 398,408	$ 21,818
Student support services	-	-	7,447	80,880	-
Instructional support staff	-	26,616	-	35,749	-
General administration	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
Student transportation	-	-	1,180	-	-
Food service	-	-	1,346	-	-
Facility acquisition and construction	-	-	-	215,357	-
Total Expenditures	$ 221,588	$ 31,881	$ 86,159	$ 730,394	$ 21,818
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ 1,092	$ 3,408	$ 401,723	$ -
UNENCUMBERED CASH - BEGINNING	(37,072)	(1,117)	(97,739)	(483,340)	-
Cancellation of Encumbrance	-	-	250	-	-
UNENCUMBERED CASH - ENDING	$ (37,072)	$ (25)	$ (94,081)	$ (81,617)	$ -

USD 415 - HIAWATHA
Hiawatha, Kansas
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
TRUST FUNDS
For the Year Ended June 30, 2024

	Cox Scholarship	Virginia Ruth Scholarship	Crow Memorial Scholarship	Kidwell Memorial Scholarship
RECEIPTS				
Local Sources				
Interest On Idle Funds	$ -	$ 113	$ 36	$ 1
Other	-	18,000	-	-
Total Receipts	$ -	$ 18,113	$ 36	$ 1
EXPENDITURES				
Other	$ 100	$ 25,250	$ 100	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ (100)	$ (7,137)	$ (64)	$ 1
UNENCUMBERED CASH - BEGINNING	639	257,973	152	3,020
UNENCUMBERED CASH - ENDING	$ 539	$ 250,836	$ 88	$ 3,021

USD 415 - HIAWATHA
Hiawatha, Kansas
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2024

	Balance July 1, 2022	Cash Receipts	Cash Disbursements	Balance June 30, 2023
Student Organization Funds				
Middle School				
Miscellaneous	$ (160)	$ 1,120	$ 960	$ -
Sales tax	41	2,210	1,902	349
Clubs	1,437	-	1,437	-
Student Council	3,780	7,447	7,388	3,839
Trips and fundraisers	2,226	9,345	4,344	7,227
Yearbook miscellaneous	516	143	137	522
Total Middle School	$ 7,840	$ 20,265	$ 16,168	$ 11,937
High School				
Clubs	$ 73,165	$ 149,556	$ 132,244	$ 90,477
Graduating Classes	4,287	11,370	13,851	1,806
Integration Fund	3,436	-	-	3,436
Miscellaneous	6,997	8,774	7,425	8,346
Sales tax	9	13,039	13,023	25
Total High School	$ 87,894	$ 182,739	$ 166,543	$ 104,090
Total Agency Funds	$ 95,734	$ 203,004	$ 182,711	$ 116,027

USD 415 - HIAWATHA
Hiawatha, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Elementary School						
Pictures	$ 2,638	$ 3,640	$ 5,115	$ 1,163	$ -	$ 1,163
Middle School						
Athletic/Student Activities	$ 8,802	$ 17,252	$ 14,049	$ 12,005	$ -	$ 12,005
Library	109	-	100	9	-	9
Yearbook	5,463	1,087	1,570	4,980	-	4,980
Student Incentives & Rewards	6,941	13,087	9,158	10,870	-	10,870
Total Middle School	$ 21,315	$ 31,426	$ 24,877	$ 27,864	$ -	$ 27,864
High School						
School Musical	$ 3,724	$ 3,048	$ 3,928	$ 2,844	$ -	$ 2,844
Athletics	36,935	109,947	114,921	31,961	-	31,961
Yearbook	10,565	7,233	4,983	12,815	-	12,815
Total High School	$ 51,224	$ 120,228	$ 123,832	$ 47,620	$ -	$ 47,620
Total District Activity Funds	$ 75,177	$ 155,294	$ 153,824	$ 76,647	$ -	$ 76,647

VARNEY
& ASSOCIATES, CPAs, LLC

November 7, 2024

Board of Education
Hiawatha Unified School District No. 415
Hiawatha, Kansas

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Hiawatha Unified School District No. 415 (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated November 7, 2024.

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of 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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of control deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free of 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 determination of financial statement amounts. 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*.

1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1020 Commercial St., Suite A
Emporia, KS 66801

Purpose of this Report

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

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

November 7, 2024

Board of Education
Hiawatha Unified School District No. 415
Hiawatha, Kansas

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance With The Uniform Guidance

Opinion on Each Major Federal Program

We have audited Unified School District No. 415's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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 District's compliance with the requirements of each major federal program as a whole.

1501 Poyntz Avenue
Manhattan, KS 66502
785-537-2202 • fax 785-537-1877
http://www.varney.com
1020 Commercial St., Suite A
Emporia, KS 66801

Auditor's Responsibilities for the Audit of Compliance (Continued)

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.

This 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. According, this report is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

HIAWATHA UNIFIED SCHOOL DISTRICT NO. 415
Hiawatha, Kansas
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

	Federal AL Number	Pass-Thru Entity Identifying Number	Federal Award Expenditures	Subrecipient Expenditures
U.S. Dept. of Agriculture				
Passed through State Department of Education				
Child Nutrition Cluster				
School Breakfast	10.553	DO415	$ 104,277	$ -
National School Lunch Program	10.555	DO415	292,454	-
Cash for Commodities	10.559	DO415	28,176	-
Total Child Nutrition Cluster			$ 424,907	$ -
Total U.S. Dept. of Agriculture			$ 424,907	$ -
U.S. Dept. of Education				
Passed through State Department of Education				
Title I	84.010A	DO415	$ 221,588	$ -
Career & Technical Education	84.048A	DO415	340	-
Title IIA Fund	84.367A	DO415	31,881	-
Student Support & Academic Enrichment	84.424A	DO415	21,818	-
COVID-19 - Elementary and Secondary School Emergency Relief II	84.425D	DO415	86,159	-
COVID-19 - Elementary and Secondary School Emergency Relief II	84.425U	DO415	730,394	-
Total U.S. Dept. of Education			$ 1,092,180	$ -
TOTAL FEDERAL ASSISTANCE			$ 1,517,087	$ -

NOTE 1: Organization

The 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.

NOTE 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 statement. The District elected not to use the 10% de minimis indirect cost rate.

NOTE 3: Non-cash Assistance, Insurance and Loans

The District did not receive or expend any federal awards in the form of non-cash assistance, insurance, loans or loan guarantees, including interest subsidies during the year ended June 30, 2024.

HIAWATHA UNIFIED SCHOOL DISTRICT NO. 415
Hiawatha, Kansas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	___ Yes	_X_ None
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None reported
Noncompliance material to financial statements noted?	___ Yes	_X_ None

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	___ Yes	_X_ No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)	___ Yes	_X_ No

Identification of major programs:

Name of Federal Program	CFDA Number
COVID-19 - Elementary and Secondary School Emergency Relief II and III	84.425D and 84.425U

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

NOTE: Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status changed by the U.S. Office of Management and Budget (OMB). Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

Section II - Financial Statement Findings

No matters were reported

Section III - Federal Award Findings and Questioned Costs

No matters were reported