UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Financial Statement With Independent Auditors' Report

For the Year Ended June 30, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District No. 315 Colby, Kansas
Colby, Kansas

Report on the Audit of the Financial Statement

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Unified School District No. 315 Colby, Kansas**, as of and for the year ended June 30, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide* 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

Responsibilities of Management for the Financial Statement

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

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

Auditors' Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *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 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, 2021 (not presented herein), and have issued our report thereon dated March 28, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipal-services. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2022 (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 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 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, 2021, on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2022, 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.

AdamsBrown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Colby, Kansas

December 19, 2022

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Governmental Type Funds							
General Funds							
General Fund	$ -	-	7,333,370	7,333,370	**-**	67,230	**67,230**
Supplemental General Fund	86,483	-	2,359,413	2,339,677	**106,219**	22,298	**128,517**
Special Purpose Funds							
Bilingual Education Fund	89,200	-	74,666	75,436	**88,430**	-	**88,430**
Capital Outlay Fund	652,525	-	895,979	950,198	**598,306**	117,101	**715,407**
Driver Education Fund	35,721	-	22,797	22,791	**35,727**	268	**35,995**
Food Service Fund	146,926	-	755,741	704,816	**197,851**	29,925	**227,776**
Professional Development Fund	88,668	-	76,238	73,627	**91,279**	4,272	**95,551**
Special Education Fund	425,821	-	1,358,187	1,358,402	**425,606**	-	**425,606**
Vocational Education Fund	159,231	-	358,746	326,821	**191,156**	274	**191,430**
KPERS Special Retirement Contribution Fund	-	-	856,455	856,455	**-**	-	**-**
Contingency Reserve Fund	235,314	20,704	-	18,650	**237,368**	-	**237,368**
At Risk (K-12) Fund	258,334	-	798,820	929,060	**128,094**	500	**128,594**
Textbook Rental Fund	451	-	64,972	64,212	**1,211**	-	**1,211**
Title I Low Income Fund	23,881	-	122,212	131,039	**15,054**	-	**15,054**
Title IVA Every Student Success Fund	4,664	-	15,920	15,924	**4,660**	-	**4,660**
Title IIA Teacher Quality Fund	5,923	-	23,926	25,683	**4,166**	-	**4,166**
At Risk 4 Year Old Fund	11,398	-	53,412	28,393	**36,417**	155	**36,572**
Career and Technical Education Grant Fund	-	-	37,965	37,965	**-**	4,540	**4,540**
21st Century Community Learning Center Fund	-	-	84,123	84,123	**-**	-	**-**
Virtual Education Fund	468	-	-	-	**468**	-	**468**
Gifts and Grants Fund	450,982	-	355,389	105,206	**701,165**	856	**702,021**
College and Career Ready Fund	8,887	-	-	2,100	**6,787**	-	**6,787**
District Insurance Pool Fund	390,573	-	2,016,586	1,948,691	**458,468**	-	**458,468**
ESSER Fund	(197,398)	-	418,446	755,991	**(534,943)**	-	**(534,943)**
District Activity Funds	222,946	-	246,837	244,320	**225,463**	-	**225,463**
Trust Fund							
Private Purpose Trust Fund	97,950	-	77,162	12,794	**162,318**	-	**162,318**
Total Reporting Entity (Excluding Agency Funds)	$ 3,198,948	20,704	18,407,362	18,445,744	**3,181,270**	247,419	**3,428,689**

Composition of Cash		
Checking Accounts	$	**3,067,093**
Savings Accounts		**332,884**
Certificates of Deposit		**161,155**
Petty Cash		**1,500**
Cash on Hand		**2,300**
Total Cash		**3,564,932**
Agency Funds per Schedule 3		**(136,243)**
Total Reporting Entity (Excluding Agency Funds)	$	**3,428,689**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 315 Colby, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. A related municipal entity is an entity established to benefit the District and/or its constituents. The District has no related municipal entities.

Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, 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 minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2022.

Regulatory Basis Fund Types

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

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

Trust Fund – fund used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

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

Reimbursements
The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

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), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.

d. 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 rate hearing this year.

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 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There was a budget amendment for this year for the General Fund.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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 budgeted expenditure authority lapses at year end.

A legal operating budget is not required for the trust fund, and the following special purpose funds: Contingency Reserve Fund, Textbook Rental Fund, Title I Low Income Fund, Title IVA Every Student Success Fund, Title IIA Teacher Quality Fund, Career and Technical Education Grant Fund, 21st Century Community Learning Center Fund, College and Career Ready Fund, ESSER Fund, District Insurance

Pool Fund, and District Activity Funds.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

Unified School District No. 315 Colby, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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

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

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 K.S.A. 9-1405.

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

At June 30, 2022, the District's carrying amount of deposits was $3,564,932 and the bank balance was $2,541,857. The bank balance was held by six banks resulting in a concentration of credit risk. Of the bank balance, $1,005,826 was covered by federal depository insurance and $1,536,031 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial Credit Risk – Investments
For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The District had no investments at June 30, 2022.

NOTE 4 – IN-SUBSTANCE RECEIPT IN TRANSIT

Unified School District No. 315 Colby, Kansas received $406,460 subsequent to June 30, 2022 and as required by K.S.A. 72-5135, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 315 Colby, Kansas'** interfund transfers and regulatory authority for the year ended June 30, 2022 were as follows:

From	To	Regulatory Authority		Amount
General Fund	Special Education Fund	K.S.A. 72-5167	$	1,246,222
General Fund	Vocational Education Fund	K.S.A. 72-5167		318,952
General Fund	Professional Development Fund	K.S.A. 72-5167		65,613
General Fund	Bilingual Education Fund	K.S.A. 72-5167		56,472
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167		603,780
General Fund	At Risk 4 Year Old Fund	K.S.A. 72-5167		41,413
General Fund	Food Service Fund	K.S.A. 72-5167		53,161
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143		26,007
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143		10,000
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143		18,194
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143		194,540
Supplemental General Fund	Vocational Education Fund	K.S.A. 72-5143		25,000
Supplemental General Fund	Driver Education Fund	K.S.A. 72-5143		6,725
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143		50,152

NOTE 6 – LITIGATION

Unified School District No. 315 Colby, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the District.

NOTE 7 – RISK MANAGEMENT

Unified School District No. 315 Colby, Kansas 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 been unable to obtain health insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other District's in the State to participate in the State Employee Health Plan (SEHP), a public entity risk pool currently operating as a common risk management and insurance program for 78,733 covered lives.

The District pays monthly premiums to the SEHP for its health insurance coverage. The agreement to participate provides that the SEHP will be self-sustaining through member premiums and will not reinsure through commercial companies. Additional premiums may be due if total claims for the pool are different than what has been anticipated by SEHP management.

The District carries commercial insurance for all other risks of loss, including property, general liability, inland marine, automobile, umbrella, linebacker, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 8 – GRANTS AND SHARED REVENUES

Unified School District No. 315 Colby, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 9 – DEFERRED COMPENSATION PLAN

Unified School District No. 315 Colby, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 403(b). Employees working over 17 hours a week are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

NOTE 10 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description
Unified School District No. 315 Colby, Kansas 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S 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 at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2022. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33%, respectively, for the fiscal year ended June 30, 2022.

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

Senate Substitute for House Bill 2002 authorized the delay of $194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of $19.4 million starting in fiscal year 2020.

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

The State of Kansas is required to contribute the statutory required employer's share except for retired 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 $856,455 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $6,556,128. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **Unified School District No. 315 Colby, Kansas** allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

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

As provided by K.S.A.74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2022.

NOTE 12 – EARLY RETIREMENT

Professional employees may retire from the District at the end of any contract year in which they meet the eligibility requirements. The requirements include the following: 1) the employee is currently a professional employee of the District, 2) the employee is not less than 55 years of age or meets the KPERS provision for early retirement, and 3) the employee has at least 10 years of employment in the District immediately prior to the request for early retirement, and a majority of the 10 years of service have been full-time. Employees who are qualified are entitled to the following benefits: A) a monthly amount of $150, which may only be applied toward health and accident coverage. This benefit will continue during the period when the employee is receiving early retirement benefits from the District. B) Additional coverage may be purchased for family members who qualify for such benefits. C) Payments shall be made beginning with the July payroll of the year the retiree is eligible to begin receiving benefits. The yearly benefit is computed by applying various percentages based on the year of retirement to the employee's highest salary as determined by KPERS. D) The maximum number of years a retiree can receive this benefit is 10. The benefits end in the contract year in which the retiree reaches 65 years of age, or on the death of the retiree, in which case the benefits will be pro-rated on a daily basis beginning with July 1 of the contract year in which the death occurs. During the year ended June 30, 2022, payments to early retirees totaled $7,185, the cost of insurance benefits totaled $11,800, and the fixed cost totaled $593.

NOTE 13 – COMPENSATED ABSENCES

Leave

Teachers shall begin each school year with 10 days of leave credit and may accumulate to 90 days, however, no teacher will begin the contract year with more than 80 days. Leave is applicable to their own personal illness/injury, their children, spouse, or parents, emergency leave, or discretionary leave.

Staff (except bus drivers) working above 20 hours a week qualify for sick leave. Classified full-time staff (including clerical) receive 10 days sick leave accumulative to 70 days and 10-month classified staff (food service and paraprofessionals) receive 7 days sick leave accumulative to 20 days. Leave is applicable to their own personal illness/injury, their children, spouse, or parents.

Licensed personnel with 10 years of teaching/professional service with the District are compensated for 10 days of unused sick leave (providing it is earned/accumulated) upon leaving the District. The rate of compensation will be at the current daily substitute rate of pay (2021-22 $105/day). Total potential liability for leave at June 30, 2022 was $24,150. This is not reflected in the financial statements.

Vacation

All 12-month classified staff receive 10 days of vacation leave after one year of employment. After 10 years with the District, an additional 5 days are awarded. This leave is non-accumulative, unless approved by the supervisor and Superintendent. Unused vacation time may be taken at the time of termination if approved by the Superintendent.

Discretionary Leave

Clerical staff receive one day of discretionary leave a year. Ten-month staff receive one day of pay over winter break.

Sick Leave Bank

A sick leave bank is available to licensed non-administrative personnel. Participation is voluntary, and staff is eligible to participate upon accumulation of one day of sick leave. Participation will commence upon the deposit of one day of sick leave to the sick leave bank, and annual deposits are made until five days have been deposited. The bank's capacity is 400 days, and deposits made in excess of the 400

days are forfeited. Staff members who have more than 70 days of sick leave accumulated at the end of the school year may donate up to three of their excess days to the bank. Participants may request days from the bank after exhausting their available sick leave and making a one day salary deduction.

Bereavement Leave
Each teacher may be granted up to a total of three days of bereavement leave per occurrence for leave due to death of the staff member's immediate family (parent, grandparent, sibling, spouse, child, and grandchild).

NOTE 14 – LONG-TERM DEBT

Unified School District No. 315 Colby, Kansas has the following type of long-term debt.

Lease Obligations
The District has entered into a lease agreement for equipment with an option to purchase at the expiration of the lease term. The lease contains a fiscal funding clause.

Changes in long-term liabilities for the District for the year ended June 30, 2022, 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
Finance Lease									
Energy Improvements	2.75%	4/20/2016	$ 2,089,732	2/1/2024	$ 799,466	-	271,326	**528,140**	21,564

Current maturities of long-term debt and interest for the next two years through maturity are as follows:

	YEAR		
	2023	2024	**Total**
Principal			
Finance Lease	$ 277,422	250,718	**528,140**
Interest			
Finance Lease	15,468	7,839	**23,307**
Total Principal and Interest	**$ 292,890**	**258,557**	**551,447**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS

Regulatory-Required Supplementary Information

Schedule 1

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

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 Fund	$ 7,303,241	(20,334)	50,463	7,333,370	**7,333,370**	-
Supplemental General Fund	2,332,608	-	7,069	2,339,677	**2,339,677**	-
Special Purpose Funds						
Bilingual Education Fund	103,971	-	-	103,971	**75,436**	(28,535)
Capital Outlay Fund	1,398,477	-	-	1,398,477	**950,198**	(448,279)
Driver Education Fund	31,535	-	-	31,535	**22,791**	(8,744)
Food Service Fund	823,109	-	-	823,109	**704,816**	(118,293)
Professional Development Fund	80,278	-	-	80,278	**73,627**	(6,651)
Special Education Fund	1,472,045	-	-	1,472,045	**1,358,402**	(113,643)
Vocational Education Fund	405,630	-	-	405,630	**326,821**	(78,809)
KPERS Special Retirement Contribution Fund	929,308	-	-	929,308	**856,455**	(72,853)
At Risk (K-12) Fund	935,730	-	-	935,730	**929,060**	(6,670)
At Risk 4 Year Old Fund	54,671	-	-	54,671	**28,393**	(26,278)
Virtual Education Fund	5,400	-	-	5,400	**-**	(5,400)
Gifts and Grants Fund	772,780	-	-	772,780	**105,206**	(667,574)

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Mineral Severance Tax	$ 2,176	**2,114**	-	2,114
Intergovernmental Revenues				
Federal Aid	239	**494**	-	494
Equalization State Aid	6,380,751	**6,579,571**	6,549,909	29,662
Special Education State Aid	709,256	**701,222**	753,332	(52,110)
Other State Aid	347	**-**	-	-
Reimbursements	30,908	**49,969**	-	49,969
Total Receipts	7,123,677	**7,333,370**	7,303,241	30,129
Expenditures				
Instruction	3,241,080	**2,960,707**	3,344,577	(383,870)
Student Support Services	102,036	**70,352**	105,752	(35,400)
Instructional Support Services	285,232	**374,735**	387,441	(12,706)
General Administration	219,604	**236,851**	224,447	12,404
School Administration	490,827	**461,971**	516,220	(54,249)
Operations and Maintenance	292,315	**306,367**	211,096	95,271
Transportation	320,670	**399,551**	360,801	38,750
Other Supplemental Services	134,107	**137,223**	139,423	(2,200)
Transfers Out	2,037,806	**2,385,613**	2,013,484	372,129
Adjustment to Comply with Legal Max	-	**-**	(20,334)	20,334
Legal General Fund Budget	7,123,677	**7,333,370**	7,282,907	50,463
(a) Adjustment for Qualifying Budget Credits	-	**-**	50,463	(50,463)
Total Expenditures	7,123,677	**7,333,370**	7,333,370	-
Receipts Over (Under) Expenditures	-	**-**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**-**		

(a) Adjustment for Qualifying Budget Credits	
Reimbursements Over Amount Budgeted	$ 49,969
Federal Aid Over Amount Budgeted	494
Total	$ 50,463

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 1,439,776	**1,564,507**	1,691,476	(126,969)
Delinquent Tax	16,095	**47,085**	14,820	32,265
Motor Vehicle Tax	186,709	**166,967**	143,841	23,126
Recreational Vehicle Tax	2,701	**2,522**	1,940	582
Excise Tax	265	**241**	-	241
Intergovernmental Revenues				
Equalization Aid	545,468	**571,022**	571,022	-
Federal Aid	10,636	**-**	-	-
Reimbursements	20,334	**7,069**	-	7,069
Total Receipts	2,221,984	**2,359,413**	2,423,099	(63,686)
Expenditures				
Instruction	915,622	**977,273**	975,907	1,366
Student Support Services	33,986	**19,086**	34,939	(15,853)
Instructional Support Services	240,728	**254,629**	252,091	2,538
General Administration	32,968	**33,382**	37,019	(3,637)
School Administration	113,110	**124,056**	120,481	3,575
Operations and Maintenance	462,107	**552,096**	501,047	51,049
Other Supplemental Services	71,999	**48,537**	76,124	(27,587)
Transfers Out	400,565	**330,618**	335,000	(4,382)
Legal Supplemental General Fund Budget	2,271,085	**2,339,677**	2,332,608	7,069
(a) Adjustment for Qualifying Budget Credits	-	**-**	7,069	(7,069)
Total Expenditures	2,271,085	**2,339,677**	2,339,677	-
Receipts Over (Under) Expenditures	(49,101)	**19,736**		
Unencumbered Cash - Beginning	135,584	**86,483**		
Unencumbered Cash - Ending	$ 86,483	**106,219**		

(a) Adjustment for Qualifying Budget Credits

Reimbursements Over Amount Budgeted	$ 7,069

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Transfers In	$ 62,200	**74,666**	51,000	23,666
Expenditures				
Instruction	61,630	**75,436**	103,971	(28,535)
Receipts Over (Under) Expenditures	570	**(770)**		
Unencumbered Cash - Beginning	88,630	**89,200**		
Unencumbered Cash - Ending	$ 89,200	**88,430**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 776,637	**762,139**	754,202	7,937
Delinquent Tax	7,497	**23,084**	8,000	15,084
Motor Vehicle Tax	83,667	**79,079**	74,284	4,795
Recreational Vehicle Tax	1,210	**1,201**	1,001	200
Excise Tax	119	**122**	-	122
Intergovernmental Revenues				
School District Capital Outlay State Aid	32,024	**23,104**	23,992	(888)
Federal Aid	200,510	**-**	-	-
Miscellaneous Income	34,426	**3,050**	25,000	(21,950)
Interest on Idle Funds	6,673	**4,200**	7,500	(3,300)
Transfers In	468	**-**	-	-
Total Receipts	1,143,231	**895,979**	893,979	2,000
Expenditures				
Instruction	2,676	**35,993**	125,000	(89,007)
Support Services	-	**78,895**	85,000	(6,105)
Operations and Maintenance	430,128	**436,481**	663,477	(226,996)
Transportation	62,843	**6,287**	-	6,287
Facility Acquisition	432,207	**392,542**	525,000	(132,458)
Total Expenditures	927,854	**950,198**	1,398,477	(448,279)
Receipts Over (Under) Expenditures	215,377	**(54,219)**		
Unencumbered Cash - Beginning	437,148	**652,525**		
Unencumbered Cash - Ending	$ 652,525	**598,306**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Driver Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 5,508	**9,272**	7,200	2,072
Fees	13,205	**6,800**	12,000	(5,200)
Transfers In	-	**6,725**	-	6,725
Total Receipts	18,713	**22,797**	19,200	3,597
Expenditures				
Instruction	16,284	**19,385**	27,988	(8,603)
Student Support Services	-	**2,284**	2,797	(513)
Operations and Maintenance	1,127	**1,122**	750	372
Total Expenditures	17,411	**22,791**	31,535	(8,744)
Receipts Over (Under) Expenditures	1,302	**6**		
Unencumbered Cash - Beginning	34,419	**35,721**		
Unencumbered Cash - Ending	$ 35,721	**35,727**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 5,916	**4,321**	3,800	521
Federal Aid	634,985	**630,923**	660,728	(29,805)
Charges for Services	36,635	**16,884**	16,808	76
Donations	2,050	**300**	-	300
Miscellaneous	-	**-**	2,500	(2,500)
Transfers In	382	**103,313**	-	103,313
Total Receipts	679,968	**755,741**	683,836	71,905
Expenditures				
Food Service Operation	669,839	**704,816**	823,109	(118,293)
Receipts Over (Under) Expenditures	10,129	**50,925**		
Unencumbered Cash - Beginning	136,797	**146,926**		
Unencumbered Cash - Ending	$ 146,926	**197,851**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 13,016	**-**	-	-
Reimbursements	901	**625**	-	625
Transfers In	50,000	**75,613**	50,000	25,613
Total Receipts	63,917	**76,238**	50,000	26,238
Expenditures				
Instructional Support Services	63,118	**73,627**	80,278	(6,651)
Receipts Over (Under) Expenditures	799	**2,611**		
Unencumbered Cash - Beginning	87,869	**88,668**		
Unencumbered Cash - Ending	$ 88,668	**91,279**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
Federal Aid	$ 12,009	**36,606**	-	36,606
Other Revenue From Local Sources	3,038	**29,369**	-	29,369
Reimbursements	-	**19,983**	-	19,983
Transfers In	1,339,256	**1,272,229**	1,114,056	158,173
Total Receipts	1,354,303	**1,358,187**	1,114,056	244,131
Expenditures				
Instruction	1,091,765	**1,129,910**	1,178,186	(48,276)
Student Support Services	186,484	**110,423**	182,979	(72,556)
Instructional Support Services	40,000	**48,954**	44,000	4,954
School Administration	28,157	**54,269**	59,129	(4,860)
Student Transportation Services	7,432	**14,846**	7,751	7,095
Total Expenditures	1,353,838	**1,358,402**	1,472,045	(113,643)
Receipts Over (Under) Expenditures	465	**(215)**		
Unencumbered Cash - Beginning	425,356	**425,821**		
Unencumbered Cash - Ending	$ 425,821	**425,606**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Vocational Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Miscellaneous Income	$ 9,360	**14,794**	-	14,794
Transfers In	304,365	**343,952**	300,000	43,952
Total Receipts	313,725	**358,746**	300,000	58,746
Expenditures				
Instruction	336,991	**326,821**	384,790	(57,969)
Instructional Support Services	71	**-**	-	-
Student Support Services	-	**-**	20,840	(20,840)
Operations and Maintenance	103	**-**	-	-
Total Expenditures	337,165	**326,821**	405,630	(78,809)
Receipts Over (Under) Expenditures	(23,440)	**31,925**		
Unencumbered Cash - Beginning	182,671	**159,231**		
Unencumbered Cash - Ending	$ 159,231	**191,156**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 775,069	**856,455**	929,308	(72,853)
Expenditures				
Instruction	500,370	**577,503**	615,814	(38,311)
Student Support	33,015	**40,581**	41,269	(688)
Instructional Support	42,479	**38,742**	53,099	(14,357)
General Administration	25,265	**32,017**	27,792	4,225
School Administration	38,753	**42,823**	42,628	195
Other Supplemental Services	11,776	**21,210**	12,954	8,256
Operations and Maintenance	51,942	**36,902**	57,136	(20,234)
Student Transportation Services	25,265	**32,017**	27,792	4,225
Food Service	46,204	**34,660**	50,824	(16,164)
Total Expenditures	775,069	**856,455**	929,308	(72,853)
Receipts Over (Under) Expenditures	**-**	**-**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**-**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Contingency Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Transfers in	$ 35,000	**-**
Expenditures		
Operations & Maintenance	30,846	**18,650**
Receipts Over (Under) Expenditures	4,154	**(18,650)**
Unencumbered Cash - Beginning	231,160	**235,314**
Prior Year Cancelled Encumbrance	-	**20,704**
Unencumbered Cash - Ending	$ 235,314	**237,368**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Reimbursements	$ -	**500**	-	500
Transfers In	619,200	**798,320**	787,000	11,320
Total Receipts	619,200	**798,820**	787,000	11,820
Expenditures				
Instruction	443,513	**705,224**	589,227	115,997
Instructional Support Staff	-	**112,131**	40,987	71,144
Student Support Services	174,763	**49,780**	305,516	(255,736)
School Administration	-	**45,075**	-	45,075
Other Support Services	-	**16,850**	-	16,850
Total Expenditures	618,276	**929,060**	935,730	(6,670)
Receipts Over (Under) Expenditures	924	**(130,240)**		
Unencumbered Cash - Beginning	257,410	**258,334**		
Unencumbered Cash - Ending	$ 258,334	**128,094**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Textbook Rental Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Book Rental Fees	$ 42,020	**64,972**
Expenditures		
Instruction	44,476	**48,212**
Instructional Support Services	-	**16,000**
Total Expenditures	44,476	**64,212**
Receipts Over (Under) Expenditures	(2,456)	**760**
Unencumbered Cash - Beginning	2,907	**451**
Unencumbered Cash - Ending	$ 451	**1,211**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Title I Low Income Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Federal Aid	$	124,764	**122,212**
Expenditures			
Instruction		110,771	**131,039**
Receipts Over (Under) Expenditures		13,993	**(8,827)**
Unencumbered Cash - Beginning		9,888	**23,881**
Unencumbered Cash - Ending	$	23,881	**15,054**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Title IVA Every Student Success Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 14,989	**15,920**
Expenditures		
Student Support Services	10,325	**15,924**
Receipts Over (Under) Expenditures	4,664	**(4)**
Unencumbered Cash - Beginning	-	**4,664**
Unencumbered Cash - Ending	$ 4,664	**4,660**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Title IIA Teacher Quality Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 25,324	**23,926**
Expenditures		
Instruction	23,814	**25,683**
Receipts Over (Under) Expenditures	1,510	**(1,757)**
Unencumbered Cash - Beginning	4,413	**5,923**
Unencumbered Cash - Ending	$ 5,923	**4,166**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
At Risk 4 Year Old Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Transfers In	$ 27,500	**41,413**	37,648	3,765
Charges for Services	4,010	**11,475**	-	11,475
Other Local Sources	4,365	**524**	5,520	(4,996)
Total Receipts	35,875	**53,412**	43,168	10,244
Expenditures				
Instruction	27,500	**28,393**	54,671	(26,278)
Receipts Over (Under) Expenditures	8,375	**25,019**		
Unencumbered Cash - Beginning	3,023	**11,398**		
Unencumbered Cash - Ending	$ 11,398	**36,417**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Career and Technical Education Grant Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 44,028	**37,965**
Expenditures		
Instruction	44,028	**37,965**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
21st Century Community Learning Center Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 90,693	**70,000**
Other Local Sources	-	**14,123**
Total Receipts	90,693	**84,123**
Expenditures		
Instruction	90,693	**84,123**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Transfers In	$ -	**-**	5,000	(5,000)
Expenditures				
Instruction	4,860	**-**	5,400	(5,400)
Receipts Over (Under) Expenditures	(4,860)	**-**		
Unencumbered Cash - Beginning	5,328	**468**		
Unencumbered Cash - Ending	$ 468	**468**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 25,520	**25,550**	25,500	50
Federal Aid	18,048	**34,950**	18,048	16,902
Grant Income	244,335	**263,370**	-	263,370
Private Monies	49,333	**31,519**	315,000	(283,481)
Total Receipts	337,236	**355,389**	358,548	(3,159)
Expenditures				
Instruction	19,407	**29,840**	472,780	(442,940)
Instructional Support Staff	15	**627**	-	627
Building Improvements	-	**-**	300,000	(300,000)
Grant Expense	66,595	**74,739**	-	74,739
Total Expenditures	86,017	**105,206**	772,780	(667,574)
Receipts Over (Under) Expenditures	251,219	**250,183**		
Unencumbered Cash - Beginning	199,763	**450,982**		
Unencumbered Cash - Ending	$ 450,982	**701,165**		

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
College and Career Ready Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Grant Income	$ 531	**-**
Expenditures		
Instructional Support Staff	1,365	**2,100**
Receipts Over (Under) Expenditures	(834)	**(2,100)**
Unencumbered Cash - Beginning	9,721	**8,887**
Unencumbered Cash - Ending	$ 8,887	**6,787**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
District Insurance Pool Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Insurance Premiums	$	1,816,716	**2,015,762**
Interest on Idle Funds		183	**824**
Total Receipts		1,816,899	**2,016,586**
Expenditures			
Insurance Premiums		1,861,205	**1,948,691**
Receipts Over (Under) Expenditures		(44,306)	**67,895**
Unencumbered Cash - Beginning		434,879	**390,573**
Unencumbered Cash - Ending	$	390,573	**458,468**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
ESSER Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Federal Funds	$	90,435	**418,446**
Expenditures			
Grant Expense		287,833	**755,991**
Receipts Over (Under) Expenditures		(197,398)	**(337,545)**
Unencumbered Cash - Beginning		-	**(197,398)**
Unencumbered Cash - Ending	$	(197,398)	**(534,943)**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
COVID19 Relief Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Funds	$ 404,408	**-**
Expenditures		
Grant Expense	404,408	**-**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Private Purpose Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	**Current Year Actual**
Receipts		
Memorials/Donations	$ 3,990	**76,908**
Interest on Idle Funds	490	**254**
Total Receipts	4,480	**77,162**
Expenditures		
Scholarships	7,687	**12,794**
Receipts Over (Under) Expenditures	(3,207)	**64,368**
Unencumbered Cash - Beginning	101,157	**97,950**
Unencumbered Cash - Ending	$ 97,950	**162,318**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Cash Balance	Receipts	Disbursements	**Ending Cash Balance**
High School				
Band Club	$ 7,086	2,259	5,702	**3,643**
CHS Singers	140	-	140	**-**
Cheerleader Club	1,682	4,763	3,336	**3,109**
Drill Team	1,109	55,842	52,319	**4,632**
Drama	2,383	-	136	**2,247**
Choir Club	103	-	86	**17**
Cosmic Crayon	199	368	329	**238**
FFA	29,256	19,702	16,626	**32,332**
Eagle Talon	8,689	-	370	**8,319**
Forensics	244	569	567	**246**
National Honor Society	2,298	1,092	1,187	**2,203**
Honors English	17	-	-	**17**
Tech Lab	1,603	1,278	2,063	**818**
International Club	1,482	-	-	**1,482**
Prom	-	15,704	6,714	**8,990**
Student Council	3,536	5,971	5,802	**3,705**
Class of 2020	1,420	-	1,420	**-**
Class of 2021	4,216	-	4,216	**-**
Class of 2022	3,270	2,073	5,343	**-**
Class of 2023	233	4,765	4,458	**540**
Marksmen Club	702	6,241	3,781	**3,162**
Scholars Bowl	731	685	319	**1,097**
Musical Festival	2,059	3,339	3,233	**2,165**
Career Center Special	2,748	25	-	**2,773**
Money Market Interest	1,082	63	-	**1,145**
Total High School	76,288	124,739	118,147	**82,880**
Middle School				
Activity Club	2,877	-	-	**2,877**
Kids in Charge	1,234	218	-	**1,452**
Business Partners	1,397	250	229	**1,418**
Alcohol/Drug Prevention	1,795	-	-	**1,795**
Band Club	1,520	1,162	1,211	**1,471**
Vocal Music Club	1,191	950	1,295	**846**
Scholars Bowl	2,583	948	529	**3,002**
CMS Office Miscellaneous Revenue	2,268	345	831	**1,782**
Pop Fund	1,698	-	-	**1,698**
Total Middle School	16,563	3,873	4,095	**16,341**
High School Alumni Association	53,381	3,375	19,734	**37,022**
Total Agency Funds	$ 146,232	131,987	141,976	**136,243**

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Gate Receipts							
High School							
Athletics	$ 149,704	-	190,807	206,306	**134,205**	-	**134,205**
Concessions	3,457	-	21,674	14,694	**10,437**	-	**10,437**
Total High School	153,161	-	212,481	221,000	**144,642**	-	**144,642**
Middle School							
Athletics	38,222	-	18,910	13,047	**44,085**	-	**44,085**
Concessions	404	-	745	1,149	**-**	-	**-**
Total Middle School	38,626	-	19,655	14,196	**44,085**	-	**44,085**
Total Gate Receipts	191,787	-	232,136	235,196	**188,727**	-	**188,727**
School Projects							
High School							
Yearbook	10,039	-	7,761	1,691	**16,109**	-	**16,109**
Principal Fund	66	-	-	-	**66**	-	**66**
Total High School	10,105	-	7,761	1,691	**16,175**	-	**16,175**
Middle School							
Yearbook	1,541	-	-	-	**1,541**	-	**1,541**
Food For Kids	6,280	-	500	819	**5,961**	-	**5,961**
Total Middle School	7,821	-	500	819	**7,502**	-	**7,502**
Grade School							
General - School	5,815	-	555	683	**5,687**	-	**5,687**
Library	624	-	5,639	5,639	**624**	-	**624**
Supplemental Materials/Books	938	-	89	10	**1,017**	-	**1,017**
Playground Equipment Fundraiser	218	-	-	-	**218**	-	**218**
Music	652	-	-	-	**652**	-	**652**
Teacher/Staff Special Occasions	122	-	-	72	**50**	-	**50**
Teachers PTO Grant	2,549	-	-	-	**2,549**	-	**2,549**
Teacher Vending	2,315	-	157	210	**2,262**	-	**2,262**
Total Grade School	13,233	-	6,440	6,614	**13,059**	-	**13,059**
Total School Projects	31,159	-	14,701	9,124	**36,736**	-	**36,736**
Total District Activity Funds	$ 222,946	-	246,837	244,320	**225,463**	-	**225,463**

UNIFIED SCHOOL DISTRICT NO. 315, COLBY, KANSAS

Single Audit Information

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Education
Unified School District No. 315 Colby, Kansas
Colby, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* 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 **Unified School District No. 315 Colby, Kansas**, as of and for the year ended June 30, 2022, and the related notes to the financial statement, and have issued our report thereon dated December 19, 2022. The report on the audited financial statement was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Unified School District No. 315 Colby, Kansas'** 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 **Unified School District No. 315 Colby, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 315 Colby, Kansas'** internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Unified School District No. 315 Colby, Kansas'** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a

direct and material effect on the 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*.

Purpose of This Report

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

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Colby, Kansas

December 19, 2022

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

To the Board of Education
Unified School District No. 315 Colby, Kansas
Colby, Kansas

Report on Compliance for Each Major Federal Program

Qualified Opinion

We have audited **Unified School District No. 315 Colby, Kansas'** compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of **Unified School District No. 315 Colby, Kansas'** major federal programs for the year ended June 30, 2022. **Unified School District No. 315 Colby, Kansas'** major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Education Stabilization Fund

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, **Unified School District No. 315 Colby, Kansas** complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Education Stabilization Fund for the year ended June 30, 2022.

Basis for Qualified Opinion

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

We are required to be independent of **Unified School District No. 315 Colby, Kansas** 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 **Unified School District No. 315 Colby, Kansas'** compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on the Education Stabilization Fund

As described in the accompanying schedule of findings and questioned costs, **Unified School District No. 315 Colby, Kansas** did not comply with requirements regarding Assistance Listing No. 84.425D Elementary and Secondary School Emergency Relief Fund as described in finding numbers 2022-001 for Activities Allowed or Unallowed and Allowable Costs/Cost Principles.

Compliance with such requirements is necessary, in our opinion, for **Unified School District No. 315 Colby, Kansas** to comply with the requirements applicable to that program.

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 **Unified School District No. 315 Colby, Kansas'** federal programs.

Auditors' 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 **Unified School District No. 315 Colby, Kansas'** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and 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 **Unified School District No. 315 Colby, Kansas'** compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Unified School District No. 315 Colby, Kansas'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of **Unified School District No. 315 Colby, Kansas'** 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 **Unified School District No. 315 Colby, Kansas'** 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

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 and therefore, material weaknesses or significant deficiencies may exist that were

not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies

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 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on **Unified School District No. 315 Colby, Kansas'** response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. **Unified School District No. 315 Colby, Kansas'** response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Colby, Kansas

December 19, 2022

UNIFIED SCHOOL DISTRICT NO. 315 COLBY KANSAS
Schedule of Expenditures of Federal Awards
June 30, 2022

Federal Grantor/ Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Education			
Passed Through State Department of Education			
Title I Grants to Local Educational Agencies (LEAs)	84.010	N/A	$ 131,041
21st Century Community Learning Centers	84.287	N/A	72,000
Supporting Effective Instruction State Grants	84.367	N/A	25,683
Student Support and Academic Enrichment Program	84.424	N/A	15,924
COVID-19 Funds - Education Stabilization Fund			
Elementary and Secondary School Emergency Relief Fund	84.425D	N/A	792,597
Career and Technical Education - Basic Grants to States	84.048	N/A	37,965
Total U.S. Department of Education			1,075,210
U.S. Department of Agriculture			
Passed Through State Department of Education			
State Administrative Expenses for Child Nutrition	10.560	N/A	377
COVID-19 Funds - Pandemic EBT Administrative Costs	10.649	N/A	614
Child Nutrition Cluster			
School Breakfast Program (SBP)	10.553	N/A	129,102
National School Lunch Program (NSLP)	10.555	N/A	433,628
Summer Food Service Program for Children (SFSP)	10.559	N/A	67,429
Total Child Nutrition Cluster			630,159
Total U.S. Department of Agriculture			631,150
U.S. Department of Health and Human Services			
Passed Through State Department of Education			
Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079	N/A	267
Temporary Assistance for Needy Families (TANF)	93.558	N/A	32,952
Total U.S. Department of Health and Human Services			33,219
Total Expenditures of Federal Awards			$ **1,739,579**

Note - There were no awards made to subrecipients for the year ended June 30, 2022.

See accompanying notes to schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Unified School District No. 315 Colby, Kansas,** and is presented on the basis of accounting that demonstrates compliance with the regulatory basis of accounting of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented 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* (Uniform Guidance).

NOTE 2 – INDIRECT COST RATE

The District has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

NOTE 3 – OTHER EXPENDITURES

The District did not receive any federal awards in the form of noncash assistance, insurance, loans, or loan guarantees, and incurred no expenditures in relation thereof for the year ended June 30, 2022.

UNIFIED SCHOOL DISTRICT NO. 315 COLBY KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued on whether the financial statement prepared in accordance with a special purpose framework that is not in compliance with GAAP:		Unmodified		
Internal control over financial reporting:				
• Material weakness identified?		Yes	X	No
• Significant deficiency identified?		Yes	X	None reported
• Noncompliance material to financial statements noted?		Yes	X	No

FEDERAL AWARDS

Internal control over major programs:				
• Material weakness identified?		Yes	X	No
• Significant deficiency identified?	X	Yes		None reported
Type of auditors' report issued on compliance for major programs:		Qualified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance?		Yes	X	No

Identification of major program:

Assistance Listing Number	Name of Federal Program or Cluster
84.425D	Education Stabilization Fund Elementary and Secondary School Emergency Relief Fund

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

UNIFIED SCHOOL DISTRICT NO. 315 COLBY, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted in current year.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2022-001

Federal program
Education Stabilization Fund – 84.425D

Compliance requirements
Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Criteria or specific requirement
Costs should be supported by adequate documentation and should be correctly charged as to account, amount, and period.

Condition
During testing, it was discovered that five of the six non-substitute employees tested did not have a correct amount of wages moved to the ESSER fund.

Context
Gross wages were rounded up to the nearest whole dollar, which resulted in small variances between the actual amount and the amount claimed. One employee was claimed for $10 too much, which is thought to be the result of a typo during entry. Another employee's wages were claimed for $100 too much, which was the result of errors within the system after several changes had to be made to their contract amount. Lastly, payroll taxes were calculated based off of estimates and also did not consider the fact that taxable wages may not equal gross wages for all employees.

Cause
While estimates might be useful for planning purposes with regards to Federal programs, only the actual amounts incurred should be claimed. Using sufficient documentation, such as payroll registers, will help to ensure that the correct amounts are claimed.

Effect
Payroll costs of $157 were improperly claimed under the Education Stabilization Fund program. Total estimated likely questioned costs were $188.

Recommendation
We recommend that the District review its controls and policies to ensure that only actual amounts incurred are claimed under Federal programs.

Views of responsible officials
See Corrective Action Plan.

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Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs were required to be disclosed under the Uniform Guidance for the year ended June 30, 2021.