SSC CPAs, P.A.

UNIFIED SCHOOL DISTRICT NO. 405

FINANCIAL STATEMENT WITH REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2024

Table of Contents

	Page Number
Independent Auditor's Report	1 - 4
STATEMENT 1:	
Summary Statement of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)	5 - 6
Notes to the Financial Statement	7 - 14
SCHEDULE 1:	
Summary of Expenditures – Actual and Budget (Regulatory Basis)	15
SCHEDULE 2:	
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)	
General Fund	16
Supplemental General Fund	17
At Risk (4 Year Old) Fund	18
At Risk (K-12) Fund	19
Bilingual Education Fund	20
Capital Outlay Fund	21
Driver Training Fund	22
Food Service Fund	23
Professional Development Fund	24
Parent Education Fund	25
Special Education Fund	26
Special Education Cooperative Fund	27
Career and Postsecondary Education Fund	28
Carl Perkins Fund	29
Title I Fund	30
Title I-C Migrant Fund	31
Title II-A Fund	32
Title VI-B Discretionary Fund	33
Title IV-A Fund	34
CARES Fund	35
KDHE Grant Fund	36
Other Federal Funds Fund	37
KPERS Special Retirement Contribution Fund	38
Contingency Reserve Fund	39
Technology Revolving Fund	40

Table of Contents

	Page Number
Gifts and Grants Fund	41
Recreation Commission General Fund	42
Recreation Commission Employee Benefits Fund	43
Bond and Interest Fund	44
Needy Children Fund	45
SCHEDULE 3:	
Summary of Receipts and Disbursements (Regulatory Basis) Agency Funds	46
SCHEDULE 4:	
Schedule of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis) District Activity Funds	47
SINGLE AUDIT SECTION:	
Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	48 - 49
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	50 - 52
Schedule of Findings and Questioned Costs	53
Summary Schedule of Prior Year Audit Findings	54
OTHER INFORMATION:	
Schedule of Expenditures of Federal Awards	55 - 56
Notes to the Schedule of Expenditures of Federal Awards	57

SSC CPAs, P.A.

Independent Auditor's Report

To the Board of Education
Unified School District No. 405
Lyons, Kansas

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. 405, Lyons, Kansas, 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 Unified School District No. 405, 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 Unified School District No. 405, as of June 30, 2024, 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 2.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide.* 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 2 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 2 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 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individual or in the aggregate, they would influence judgement 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, 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, summary of receipts and disbursements – agency funds, and schedule of receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for the purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *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 the 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 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 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 405 as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated December 12, 2023, 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 web site of the Kansas Department of Administration at the following link http://www.admin.ks.gov/offices/accounts-reports/local-government/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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement or to 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, 2023, on the basis of accounting described In Note 2.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the

financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 18, 2024 on our consideration of the Unified School District No. 405'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 to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Unified School District No. 405'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 Unified School District No. 405's internal control over financial reporting and compliance.

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas
November 18, 2024

UNIFIED SCHOOL DISTRICT NO. 405

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)

FOR THE YEAR ENDED JUNE 30, 2024

STATEMENT 1

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ -	$ -	$ 7,684,206	$ 7,684,206	$ -	$ 13,538	$ 13,538
Supplemental General	22,659	-	2,438,387	2,421,707	39,339	28,359	67,698
Special Purpose Funds:							
At Risk (4 Year Old)	70,092	-	35,000	34,893	70,199	-	70,199
At Risk (K-12)	223,734	-	1,946,703	2,170,437	-	21,951	21,951
Bilingual Education	147,608	-	351,312	348,920	150,000	-	150,000
Capital Outlay	1,409,788	-	1,458,427	1,479,684	1,388,531	506,609	1,895,140
Driver Training	19,036	-	15,437	14,490	19,983	-	19,983
Food Service	180,557	-	532,479	624,585	88,451	-	88,451
Professional Development	121,802	-	105,157	98,361	128,598	220	128,818
Parent Education	-	-	148,479	148,479	-	2,997	2,997
Special Education	294,643	-	1,520,126	1,483,279	331,490	-	331,490
Special Education Cooperative	274,451	31	4,041,052	4,174,462	141,072	4,879	145,951
Career and Postsecondary Education	299,081	-	340,855	327,343	312,593	-	312,593
Carl Perkins	-		3,522	3,522	-	-	-
Title I	-	-	207,389	207,389	-	-	-
Title I-C Migrant	-	-	4,857	4,857	-	-	-
Title II-A	-	-	24,739	24,739	-	-	-
Title VI-B Discretionary	-	-	20,084	20,084	-	-	-

UNIFIED SCHOOL DISTRICT NO. 405

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)

FOR THE YEAR ENDED JUNE 30, 2024

STATEMENT 1

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Title IV-A	$ -	$ -	$ 20,945	$ 20,945	$ -	$ -	$ -
CARES	(623,966)	-	623,966	-	-	-	-
KDHE Grant	(5,961)	-	5,961	-	-	-	-
Other Federal Funds	(1,030)	-	21,330	20,300	-	-	-
KPERS Special Retirement Contribution	-	-	1,184,026	1,184,026	-	-	-
Contingency Reserve	576,753	-	159,421	-	736,174	-	736,174
Technology Revolving	55,764	-	12,456	19,503	48,717	-	48,717
Gifts and Grants	18,647	-	170,341	40,663	148,325	-	148,325
Recreation Commission General	-	-	471,895	467,561	4,334	-	4,334
Recreation Commission Employee Benefits	-	-	58,988	58,988	-	-	-
District Activity Funds	75,114	-	228,323	232,321	71,116	-	71,116
Bond and Interest Fund:							
Bond and Interest	1,778,997	-	1,223,708	1,084,937	1,917,768	-	1,917,768
Trust Fund:							
Needy Children Fund	4,620	-	500	586	4,534	-	4,534
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)	$ 4,942,389	$ 31	$ 25,060,071	$ 24,401,267	$ 5,601,224	$ 578,553	$ 6,179,777

COMPOSITION OF CASH:	
Checking and Savings Accounts	$ 6,253,883
Agency Funds per Schedule 3	(74,106)
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)	$ 6,179,777

1. REPORTING ENTITY

Unified School District No. 405 (the District) is a municipal corporation governed by a citizen elected seven-member Board of Education.

This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the District and/or its constituents.

Lyons Recreation Commission. The Lyons Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body but the District levies taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property but can acquire real property by gift. The audited financial statement can be obtained by contacting the recreation commission's office.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Fund Descriptions. The following types of funds comprise the financial activities of the District for the year ended June 30, 2024:

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

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

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

Trust Fund – Funds 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 – Used to report assets held by the municipality in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

3. 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:

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements 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 capital project funds, trust funds, and the following special purpose funds:

Title I Fund	Title I-C Migrant Fund
Title II-A Fund	Title VI-B Discretionary Fund
Title IV-A Fund	CARES Fund
KDHE Grant Fund	Other Federal Funds Fund
Contingency Reserve Fund	Technology Revolving Fund
Gifts and Grants Fund	Carl Perkins Fund
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.

4. DEPOSITS AND INVESTMENTS

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

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposits 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 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 District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated a "peak period." All deposits were legally secured at June 30, 2024.

At June 30, 2024, the District's carrying amount of deposits was $6,253,883 and the bank balance was $7,180,327. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $384,561 was covered by federal depository insurance and the remaining $6,795,766 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	$ 1,396,147
General Fund	Capital Outlay Fund	K.S.A. 72-5167	478,265
General Fund	Parent Education Fund	K.S.A. 72-5167	67,280
General Fund	Special Education Fund	K.S.A. 72-5167	1,343,457
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	150,000
General Fund	Contingency Fund	K.S.A. 72-5167	159,421
Supplemental General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-5143	35,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	550,556
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	351,312
Supplemental General Fund	Driver Training Fund	K.S.A. 72-5143	3,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	70,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	176,669
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5143	185,766

6. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its 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 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 $1,184,026 for the year ended June 30, 2024.

Net Pension Liability.
At June 30, 2024, the District's proportionate share of the net pension liability reported by KPERS was $11,166,323. 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, 2023. 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.

7. 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.

Death and Disability Other Post-Employment Benefits. 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, 2024.

Termination Benefits. The District provides an early retirement program for certain eligible employees. Employees who are currently certified or classified employees of the District, eligible for full KPERS early retirement benefits and have a minimum of 12 years (for certified employees) or 15 years (for classified employees) of employment within the District. Those eligible under this program may receive benefits for up to five years or until age 65.

Compensated Absences. The District provides compensation for absences. Classified employees are granted personal leave in the amount of one day for each month of the contract. Personal leave may accumulate to a maximum of 72 days. Leave for full time (12 month) and monthly clerical (11 month) employees will be bought back at $35 per day to a maximum of 12 days per year once leave is accumulated to a maximum of 72 days. Teachers are granted leave in the amount of 13 days per year. Leave is cumulative to a maximum of 100 days. Upon completion of a contract year, a request may be submitted to the District for reimbursement for the number of leave days granted for the current school year which have not been used. The total reimbursement for all teachers may not exceed $40,000.

For full time employees, vacation is earned according to the following schedule:

Years Employed	Vacation Leave per Month	Vacation Leave per Year
1	3.34 hours	40 days
2-10	6.67 hours	80 days
11-20	10.00 hours	120 days
21+	13.34 hours	160 days

No unused leave is paid out upon termination. There is no limit to accumulated vacation, but employees are required to use the accumulated vacation by October 1 of the next fiscal year, or the benefit is lost.

8. RELATED PARTIES

During the year ended June 30, 2024, the District employed two immediate family members of two board members, and one immediate family member of the superintendent.

9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain commercial property, inland marine, general liability, commercial auto, crime, school leaders errors and omissions, and umbrella insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Educational Risk Management Pool, LLC (KERMP), a public risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to KERMP for its commercial property liability coverage, general liability coverage, inland marine, comercial auto, crime, school leaders errors and omissions, and umbrella coverage. The agreement to participate provides that the KERMP will be self-sustaining through member premiums. Additional premiums may be due if total claims for the pool are different than what was been anticipated by KERMP management.

The District continues to carry commercial insurance for all other risks of loss, including workers compensation, athletics and activities liability, and cyber liability.

10. LYONS UNIFIED SCHOOL DISTRICT NO. 405 EDUCATION ENDOWMENT ASSOCIATION

The Education Endowment Association was created in 1998 for the purpose of awarding scholarships to USD 405 graduates, and to aid in the USD 405 improvement efforts. The Education Endowment Association is funded through donations and has complete financial independence from USD 405. All donations from the Education Endowment Association are approved by the USD 405 Board of Education and posted to the Gifts and Grants fund.

11. LEASE PURCHASE AGREEMENT

On June 23, 2023, the District entered into a lease purchase agreement with Peoples Bank and Trust Company and the Lyons Recreation Commission (LRC) for the purpose of assisting the LRC with the financing necessary to construct certain improvements at the Lyons Public Golf Course. Under this agreement, the District will have possession of the real estate and acquire a pre-engineered building to be constructed, furnished, and equipped. The LRC would lease the property from the District during this time for the rate established by Peoples Bank and Trust Company for lease purchase payments. At the end of the lease purchase agreement, the District will then gift the property to LRC.

On May 8, 2024, the agreement between The District and the LRC was updated so that the District could deed the clubhouse portion of the property to the LRC while retaining ownership of the remaining golf course property through the end of the current lease agreement.

12. SUBSEQUENT EVENTS

The District's management has evaluated events and transactions occurring after June 30, 2024 through November 18, 2024. The aforementioned date represents the date the financial statement was available to be issued.

13. LONG-TERM DEBT

Changes in long-term liabilities of the District for the fiscal year ended June 30, 2024, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Plus: Proceeds held in Escrow	Balance Beginning of Year	Additions	Reductions/ Payments	Payments from Bonds held in Escrow	Balance End of Year	Interest Paid
General Obligation Bonds												
GO Refunding and School Building Bond	2.000 - 4.000%	8/1/2013	$ 996,500	10/1/2033	$ 2,325,000	$ 5,775,000	$ 8,100,000	$ -	$ 525,000	$ 5,775,000	$ 1,800,000	$ 180,850
GO School Building Bond Series 2014	2.000 - 4.000%	3/1/2014	3,380,000	10/1/2034	750,000	2,205,000	2,955,000	-	185,000	2,205,000	565,000	62,250
GO Refunding Bond Series 2020	0.593 - 2.469%	10/1/2020	9,060,000	10/1/2034	8,840,000	-	8,840,000	-	110,000	-	8,730,000	179,450
Subtotal General Obligation Bonds					11,915,000	7,980,000	19,895,000	-	820,000	7,980,000	11,095,000	422,550
Interest paid with refunding bond proceeds held in escrow												(157,613)
Total General Obligation Bonds					11,915,000	7,980,000	19,895,000	-	820,000	7,980,000	11,095,000	264,937
Finance leases:												
LRC Lease Purchase Agreement	2.120%	6/23/2022	307,000	7/1/2027	248,202	-	248,202	-	60,101	-	188,101	5,262
TOTAL CONTRACTUAL INDEBTEDNESS					$ 12,163,202	$ 7,980,000	$ 20,143,202	$ -	$ 880,101	$ 7,980,000	$11,283,101	$ 270,199

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

Years ended	2025	2026	2027	2028	2029	2030-2034	2035	Total
Principal								
GO Refunding and School Building Bond	$ 550,000	$ 600,000	$ 650,000	$ -	$ -	$ -	$ -	$ 1,800,000
GO School Building Bond Series 2014	195,000	190,000	180,000	-	-	-	-	565,000
GO Refunding Bond Series 2020	110,000	110,000	115,000	990,000	1,020,000	5,700,000	685,000	8,730,000
LRC Lease Purchase Agreement	-	61,390	62,691	64,020	-	-	-	188,101
Total Principal	855,000	961,390	1,007,691	1,054,020	1,020,000	5,700,000	685,000	11,283,101
Interest								
GO Refunding and School Building Bond	49,225	31,375	10,888	-	-	-	-	91,488
GO School Building Bond Series 2014	15,388	9,625	3,150	-	-	-	-	28,163
GO Refunding Bond Series 2020	178,383	177,150	175,662	166,809	149,369	412,725	8,456	1,268,554
LRC Lease Purchase Agreement	-	3,988	2,686	1,357	-	-	-	8,031
Total Interest	242,996	222,138	192,386	168,166	149,369	412,725	8,456	1,396,236
TOTAL PRINCIPAL AND INTEREST	$ 1,097,996	$ 1,183,528	$ 1,200,077	$ 1,222,186	$ 1,169,369	$ 6,112,725	$ 693,456	$ 12,679,337

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 405
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

SCHEDULE 1

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)
General Funds						
General	$ 8,054,304	$ (435,533)	$ 65,435	$ 7,684,206	$ 7,684,206	$ -
Supplemental General	2,412,290	-	9,417	2,421,707	2,421,707	-
Special Purpose Funds						
At Risk (4 Year Old)	70,000	-	-	70,000	34,893	(35,107)
At Risk (K-12)	2,288,734	-	-	2,288,734	2,170,437	(118,297)
Bilingual Education	472,680	-	-	472,680	348,920	(123,760)
Capital Outlay	2,943,983	-	-	2,943,983	1,479,684	(1,464,299)
Driver Training	38,436	-	-	38,436	14,490	(23,946)
Food Service	823,251	-	-	823,251	624,585	(198,666)
Professional Development	145,425	-	-	145,425	98,361	(47,064)
Parent Education	157,500	-	-	157,500	148,479	(9,021)
Special Education	1,819,643	-	-	1,819,643	1,483,279	(336,364)
Special Education Cooperative	4,379,451	-	-	4,379,451	4,174,462	(204,989)
Career and Postsecondary Education	428,627	-	-	428,627	327,343	(101,284)
KPERS Special Retirement Contribution	1,413,450	-	-	1,413,450	1,184,026	(229,424)
Recreation Commission General	467,561	-	-	467,561	467,561	-
Recreation Commission Employee Benefits	61,759	-	-	61,759	58,988	(2,771)
Bond and Interest Fund						
Bond and Interest	1,085,063	-	-	1,085,063	1,084,937	(126)

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Mineral Severance Tax	$ 372	$ 382	$ -	$ 382
State Aid:				
General State Aid	6,537,569	6,785,268	7,007,261	(221,993)
Special Education Services Aid	737,843	833,121	1,047,043	(213,922)
Reimbursements	16,157	65,435	-	65,435
Total Receipts	7,291,941	7,684,206	$ 8,054,304	$ (370,098)
Expenditures				
Instruction	2,163,146	2,129,200	$ 2,333,363	$ (204,163)
Student Support Services	43,020	110,031	42,948	67,083
Instructional Support Services	268,736	267,854	278,331	(10,477)
General Administration	10,026	11,015	10,347	668
School Administration	543,422	546,047	560,809	(14,762)
Operations and Maintenance	700,294	736,678	891,669	(154,991)
Transportation	215,927	288,811	222,837	65,974
Operating Transfers	3,347,370	3,594,570	3,714,000	(119,430)
Adjustment to Comply with Legal Max	-	-	(435,533)	435,533
General Legal Fund Budget	7,291,941	7,684,206	7,618,771	65,435
Adjustment for Qualifying Budget Credit	-	-	65,435	(65,435)
Total Expenditures	7,291,941	7,684,206	$ 7,684,206	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	$ 894,142	$ 1,028,797	$ 1,003,456	$ 25,341
Delinquent Tax	19,247	20,523	9,206	11,317
Motor Vehicle Tax	67,347	68,909	64,269	4,640
Commercial Vehicle Tax	-	-	3,825	(3,825)
16/20M Tax	1,590	1,769	-	1,769
RV Tax	1,149	1,270	1,172	98
State Aid:				
Supplemental General State Aid	1,282,292	1,307,702	1,307,702	-
Reimbursements	2,093	9,417	-	9,417
Total Receipts	2,267,860	2,438,387	$ 2,389,630	$ 48,757
Expenditures				
Instruction	365,605	346,316	$ 442,127	$ (95,811)
Student Support Services	421	1,015	435	580
Instructional Support Services	6,692	6,280	10,113	(3,833)
General Administration	278,709	298,100	297,210	890
School Administration	16,416	17,175	17,484	(309)
Central Services	107,408	112,696	110,843	1,853
Operations and Maintenance	195,477	267,683	236,016	31,667
Transportation	60	139	62	77
Operating Transfers	1,347,583	1,372,303	1,298,000	74,303
Supplemental General Legal Fund Budget	2,318,371	2,421,707	2,412,290	9,417
Adjustment for Qualifying Budget Credit	-	-	9,417	(9,417)
Total Expenditures	2,318,371	2,421,707	$ 2,421,707	$ -
Receipts Over (Under) Expenditures	(50,511)	16,680		
Unencumbered Cash, Beginning	73,170	22,659		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	$ 22,659	$ 39,339		

UNIFIED SCHOOL DISTRICT NO. 405
AT RISK (4 YEAR OLD) 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 35,000	$ 35,000	$ 38,000	$ (3,000)
Expenditures				
Instruction	34,908	34,893	$ 70,000	$ (35,107)
Receipts Over (Under) Expenditures	92	107		
Unencumbered Cash, Beginning	70,000	70,092		
Unencumbered Cash, Ending	$ 70,092	$ 70,199		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 1,864,123	$ 1,946,703	$ 2,065,000	$ (118,297)
Expenditures				
Instruction	1,782,642	1,888,027	$ 2,052,057	$ (164,030)
Student Support Services	143,237	177,083	147,822	29,261
School Administration	86,101	105,327	88,855	16,472
Total Expenditures	2,011,980	2,170,437	$ 2,288,734	$ (118,297)
Receipts Over (Under) Expenditures	(147,857)	(223,734)		
Unencumbered Cash, Beginning	371,591	223,734		
Unencumbered Cash, Ending	$ 223,734	$ -		

UNIFIED SCHOOL DISTRICT NO. 405
BILINGUAL 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 277,132	$ 351,312	$ 325,000	$ 26,312
Expenditures				
Instruction	252,818	341,986	$ 465,760	$ (123,774)
School Administration	6,706	6,934	6,920	14
Total Expenditures	259,524	348,920	$ 472,680	$ (123,760)
Receipts Over (Under) Expenditures	17,608	2,392		
Unencumbered Cash, Beginning	130,000	147,608		
Unencumbered Cash, Ending	$ 147,608	$ 150,000		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Ad Valorem Property Tax	$ 414,703	$ 434,194	$ 432,599	$ 1,595
Delinquent	5,818	8,213	4,338	3,875
Motor Vehicle Tax	17,788	24,818	23,345	1,473
Commercial Vehicle Tax	-	-	1,389	(1,389)
16/20M Tax	373	553	-	553
RV Tax	295	448	426	22
In Lieu of Taxes	950	-	-	-
State Aid	222,221	234,612	237,098	(2,486)
Reimbursements	558,732	137,672	250,000	(112,328)
Interest on Idle Funds	79,729	139,652	85,000	54,652
Operating Transfers	500,000	478,265	500,000	(21,735)
Total Receipts	1,800,609	1,458,427	$ 1,534,195	$ (75,768)
Expenditures				
Instruction	286,931	109,323	$ 300,000	$ (190,677)
School Administration	-	13,940	453,483	(439,543)
Operations and Maintenance	407,743	1,281,599	1,605,500	(323,901)
Transportation	59,776	-	400,000	(400,000)
Architectural and Engineering Services	6,500	625	35,000	(34,375)
New Building Acquisition & Construction	86,297	65,377	-	65,377
Building Improvements	82,014	8,820	150,000	(141,180)
Total Expenditures	929,261	1,479,684	$ 2,943,983	$ (1,464,299)
Receipts Over (Under) Expenditures	871,348	(21,257)		
Unencumbered Cash, Beginning	497,026	1,409,788		
Prior Year Cancelled Encumbrances	41,414	-		
Unencumbered Cash, Ending	$ 1,409,788	$ 1,388,531		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
State Safety Aid	$ 6,020	$ 6,815	$ 5,400	$ 1,415
Fees	6,000	5,622	5,000	622
Operating Transfers	7,000	3,000	9,000	(6,000)
Total Receipts	19,020	15,437	$ 19,400	$ (3,963)
Expenditures				
Instruction	15,390	12,084	$ 31,286	$ (19,202)
Operations and Maintenance	2,944	2,406	7,150	(4,744)
Total Expenditures	18,334	14,490	$ 38,436	$ (23,946)
Receipts Over (Under) Expenditures	686	947		
Unencumbered Cash, Beginning	18,350	19,036		
Unencumbered Cash, Ending	$ 19,036	$ 19,983		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
Food Service Aid	$ 4,744	$ 4,386	$ 4,193	$ 193
Federal Aid:				
Child Nutrition Programs	546,422	411,704	450,461	(38,757)
Local Receipts	84,525	85,479	157,440	(71,961)
Interest	792	946	600	346
Reimbursements	25,581	29,964	30,000	(36)
Total Receipts	662,064	532,479	$ 642,694	$ (110,215)
Expenditures				
Food Service Operation	657,378	624,585	$ 823,251	$ (198,666)
Receipts Over (Under) Expenditures	4,686	(92,106)		
Unencumbered Cash, Beginning	175,871	180,557		
Unencumbered Cash, Ending	$ 180,557	$ 88,451		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 9,510	$ 7,353	$ 12,082	$ (4,729)
Reimbursements	40,389	27,804	35,000	(7,196)
Operating Transfers	70,000	70,000	70,000	-
Total Receipts	119,899	105,157	$ 117,082	$ (11,925)
Expenditures				
Instructional Support Services	84,571	98,361	$ 145,425	$ (47,064)
Receipts Over (Under) Expenditures	35,328	6,796		
Unencumbered Cash, Beginning	86,474	121,802		
Unencumbered Cash, Ending	$ 121,802	$ 128,598		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Payments From Participating Districts	$ 19,454	$ 16,229	$ 12,530	$ 3,699
State Aid	60,712	64,970	64,970	-
Operating Transfers	50,855	67,280	80,000	(12,720)
Total Receipts	131,021	148,479	$ 157,500	$ (9,021)
Expenditures				
Student Support Services	131,021	148,479	$ 157,500	$ (9,021)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 1,489,214	$ 1,520,126	$ 1,525,000	$ (4,874)
Expenditures				
Payments to Special Education COOP	1,366,197	1,483,279	$ 1,819,643	$ (336,364)
Receipts Over (Under) Expenditures	123,017	36,847		
Unencumbered Cash, Beginning	171,626	294,643		
Unencumbered Cash, Ending	$ 294,643	$ 331,490		

UNIFIED SCHOOL DISTRICT NO. 405
SPECIAL EDUCATION COOPERATIVE 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Federal Aid	$ 453,150	$ 469,357	$ 525,000	$ (55,643)
Medicaid Payments	87,879	71,587	130,000	(58,413)
Payments From Participating Districts	3,020,789	3,307,002	2,500,000	807,002
Cost Settlement	22,091	103,704	-	103,704
Other Income	50,030	63,749	-	63,749
Miscellaneous	17,176	25,653	950,000	(924,347)
Total Receipts	3,651,115	4,041,052	$ 4,105,000	$ (63,948)
Expenditures				
Instruction	2,864,491	2,950,625	4,379,451	(1,428,826)
Student Support Services	846,659	901,825	-	901,825
General Administration	217,057	244,746	-	244,746
School Administration	30,909	30,993	-	30,993
Operations and Maintenance	1,113	1,032	-	1,032
Student Transportation Services	34,867	45,241	-	45,241
Total Expenditures	3,995,096	4,174,462	$ 4,379,451	$ (204,989)
Receipts Over (Under) Expenditures	(343,981)	(133,410)		
Unencumbered Cash, Beginning	618,432	274,451		
Prior Year Cancelled Encumbrances	-	31		
Unencumbered Cash, Ending	$ 274,451	$ 141,072		

UNIFIED SCHOOL DISTRICT NO. 405
CAREER AND POSTSECONDARY 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Reimbursements	$ 2,498	$ 5,089	$ -	$ 5,089
Operating Transfers	401,629	335,766	400,000	(64,234)
Total Receipts	404,127	340,855	$ 400,000	$ (59,145)
Expenditures				
Instruction	293,694	314,759	$ 417,418	$ (102,659)
School Administration	10,862	12,584	11,209	1,375
Total Expenditures	304,556	327,343	$ 428,627	$ (101,284)
Receipts Over (Under) Expenditures	99,571	13,512		
Unencumbered Cash, Beginning	199,510	299,081		
Unencumbered Cash, Ending	$ 299,081	$ 312,593		

UNIFIED SCHOOL DISTRICT NO. 405
CARL PERKINS 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)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Reimbursement	$ 755	$ 3,522
Expenditures		
Equipment	755	3,522
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 405
TITLE I FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 206,978	$ 207,389
Expenditures		
Instruction	206,978	207,389
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 405
TITLE I-C MIGRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 202)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 9,000	$ 4,857
Expenditures		
Instruction	8,928	4,857
Receipts Over (Under) Expenditures	72	-
Unencumbered Cash, Beginning	(72)	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 405
TITLE II-A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 22,464	$ 24,739
Expenditures		
Instruction	22,464	24,739
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 405
TITLE VI-B DISCRETIONARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 20,084	$ 20,084
Expenditures		
Instruction	20,084	20,084
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 405
TITLE IV-A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 21,084	$ 20,945
Expenditures		
Instruction	21,084	20,945
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 405
CARES FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 1,593,272	$ 623,966
Expenditures		
Instruction	211,860	-
Student Support Services	2,543	-
Operations and Maintenance	566,991	-
Transportation	1,278	-
Total Expenditures	782,672	-
Receipts Over (Under) Expenditures	810,600	623,966
Unencumbered Cash, Beginning	(1,434,566)	(623,966)
Unencumbered Cash, Ending	$ (623,966)	$ -

UNIFIED SCHOOL DISTRICT NO. 405
KDHE GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 20,856	$ 5,961
Expenditures		
Student Support Services	21,628	-
Receipts Over (Under) Expenditures	(772)	5,961
Unencumbered Cash, Beginning	(5,189)	(5,961)
Unencumbered Cash, Ending	$ (5,961)	$ -

UNIFIED SCHOOL DISTRICT NO. 405
OTHER FEDERAL FUNDS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 16,810	$ 21,330
Expenditures		
Instruction	17,661	20,300
Operation and Maintenance	179	-
Total Expenditures	17,840	20,300
Receipts Over (Under) Expenditures	(1,030)	1,030
Unencumbered Cash, Beginning	-	(1,030)
Unencumbered Cash, Ending	$ (1,030)	$ -

UNIFIED SCHOOL DISTRICT NO. 405
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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
KPERS Employer Contributions	$ 1,208,077	$ 1,184,026	$ 1,413,450	$ (229,424)
Expenditures				
Instruction	416,536	402,569	$ 480,573	$ (78,004)
Student Support	118,097	118,403	141,345	(22,942)
Instructional Support	69,494	71,041	84,807	(13,766)
General Administration	104,454	106,563	127,211	(20,648)
School Administration	116,391	118,402	141,345	(22,943)
Central Services	59,261	59,202	70,673	(11,471)
Operations and Maintenance	141,972	142,083	169,614	(27,531)
Student Transportation Services	106,585	106,563	127,211	(20,648)
Food Service	75,287	59,200	70,671	(11,471)
Total Expenditures	1,208,077	1,184,026	$ 1,413,450	$ (229,424)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 405
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers	$ -	$ 159,421
Expenditures		
Instruction	-	-
Receipts Over (Under) Expenditures	-	159,421
Unencumbered Cash, Beginning	576,753	576,753
Unencumbered Cash, Ending	$ 576,753	$ 736,174

UNIFIED SCHOOL DISTRICT NO. 405
TECHNOLOGY REVOLVING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Fees	$ 12,048	$ 12,456
Expenditures		
Instruction	-	19,503
Receipts Over (Under) Expenditures	12,048	(7,047)
Unencumbered Cash, Beginning	43,716	55,764
Unencumbered Cash, Ending	$ 55,764	$ 48,717

UNIFIED SCHOOL DISTRICT NO. 405
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Donations	$ 19,166	$ 170,341
Expenditures		
Instruction	15,143	40,663
Receipts Over (Under) Expenditures	4,023	129,678
Unencumbered Cash, Beginning	14,624	18,647
Unencumbered Cash, Ending	$ 18,647	$ 148,325

UNIFIED SCHOOL DISTRICT NO. 405
RECREATION COMMISSION 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Ad Valorem Tax	$ 418,745	$ 431,224	$ 432,974	$ (1,750)
Delinquent Tax	8,572	9,360	4,342	5,018
Motor Vehicle Tax	30,432	30,013	28,063	1,950
16/20M Tax	747	748	-	748
RV Tax	524	550	512	38
Commercial Vehicle Tax	-	-	1,670	(1,670)
In Lieu of Taxes	950	-	-	-
Total Receipts	459,970	471,895	$ 467,561	$ 4,334
Expenditures				
Appropriations	459,970	467,561	$ 467,561	$ -
Receipts Over (Under) Expenditures	-	4,334		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 4,334		

UNIFIED SCHOOL DISTRICT NO. 405
RECREATION COMMISSION EMPLOYEE BENEFITS 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Ad Valorem Tax	$ 52,330	$ 53,903	$ 57,336	$ (3,433)
Delinquent Tax	1,096	1,172	576	596
Motor Vehicle Tax	3,804	3,751	3,569	182
16/20M Tax	93	93	-	93
RV Tax	66	69	65	4
Commercial Vehicle Tax	-	-	213	(213)
In Lieu of Taxes	119	-	-	-
Total Receipts	57,508	58,988	$ 61,759	$ (2,771)
Expenditures				
Appropriations	57,853	58,988	$ 61,759	$ (2,771)
Receipts Over (Under) Expenditures	(345)	-		
Unencumbered Cash, Beginning	345	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 405
BOND AND 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)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Ad Valorem Tax	$ 628,160	$ 598,243	$ 598,382	$ (139)
Delinquent Tax	14,337	14,334	6,515	7,819
Motor Vehicle Tax	50,676	45,010	42,098	2,912
16/20M Tax	1,306	1,129	-	1,129
RV Tax	884	825	767	58
Commercial Vehicle Tax	-	-	2,505	(2,505)
In Lieu of Taxes	1,426	-	-	-
State Aid	556,763	564,167	564,167	-
Total Receipts	1,253,552	1,223,708	$ 1,214,434	$ 9,274
Expenditures				
Bond Principal	785,000	820,000	$ 820,000	$ -
Bond Interest	285,698	264,937	265,063	(126)
Total Expenditures	1,070,698	1,084,937	$ 1,085,063	$ (126)
Receipts Over (Under) Expenditures	182,854	138,771		
Unencumbered Cash, Beginning	1,596,143	1,778,997		
Unencumbered Cash, Ending	$ 1,778,997	$ 1,917,768		

UNIFIED SCHOOL DISTRICT NO. 405
NEEDY CHILDREN FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2023)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Donations	$ 804	$ 500
Expenditures		
Scholarships	107	586
Receipts Over (Under) Expenditures	697	(86)
Unencumbered Cash, Beginning	3,923	4,620
Unencumbered Cash, Ending	$ 4,620	$ 4,534

UNIFIED SCHOOL DISTRICT NO. 405
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

SCHEDULE 3

Agency Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations				
Lyons High School				
Art Club	$ 1,382	$ -	$ -	$ 1,382
AFJROTC AirShow	1,149	-	1,149	-
Class of 2022	114	-	114	-
Class of 2023	1,245	-	1,246	(1)
Class of 2024	1,335	958	2,293	-
Class of 2025	1,910	8,577	8,831	1,656
Class of 2026	1,325	17	-	1,342
Class of 2027	-	1,342	478	864
Entrepreneurship	152	-	-	152
Esports	2,492	1,000	1,563	1,929
Family Career & Community	446	-	197	249
FFA Concessions	5,596	29,657	32,537	2,716
Fire Science	1,357	-	100	1,257
Foreign Language Club	435	2,273	1,056	1,652
Greenhouse	-	13,725	2,931	10,794
Halo Organization	107	-	-	107
National Honor Society	277	306	323	260
Pride	380	-	47	333
Pride Room Dog Biscuit	1,594	868	1,217	1,245
ROTC Student	-	7,153	5,672	1,481
Scholars Bowl	1,514	895	926	1,483
Skills USA	-	500	-	500
Spanish Trip	-	43,903	40,890	3,013
Student Council	4,145	4,546	2,696	5,995
Starbooks Café	159	-	-	159
Subtotal Lyons High School	27,114	115,720	104,266	38,568
Lyons Middle School				
Builders Club	1,652	-	1,652	-
Builders Club - Concessions	300	-	300	-
Counselor	210	2,779	1,338	1,651
Diversity Club	20	952	-	972
FACS	230	1,699	1,112	817
Girl Run for Fun	150	-	150	-
Student Council	703	105	29	779
Subtotal Lyons Middle School	3,265	5,535	4,581	4,219
Total Student Organizations	30,379	121,255	108,847	42,787
Lyons High School Sales Tax	-	9,823	9,823	-
Lyons Middle School Sales Tax	-	385	385	-
Central Elementary School Sales Tax	-	91	-	91
Health Insurance	33,960	-	2,732	31,228
Total Agency Funds	$ 64,339	$ 131,554	$ 121,787	$ 74,106

UNIFIED SCHOOL DISTRICT NO. 405
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2024

SCHEDULE 4

District Activity Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
Lyons High School	$ 18,670	$ 137,839	$ 138,953	$ 17,556	$ -	$ 17,556
Lyons Middle School	2,339	20,733	20,601	2,471	-	2,471
Subtotal Gate Receipts	21,009	158,572	159,554	20,027	-	20,027
School Projects						
Lyons High School	41,315	49,578	50,858	40,035	-	40,035
Lyons Middle School	5,969	1,439	3,038	4,370	-	4,370
Park Elementary School	1,400	4,173	3,856	1,717	-	1,717
Central Elementary School	5,421	5,506	5,960	4,967	-	4,967
Subtotal School Projects	54,105	60,696	63,712	51,089	-	51,089
Revolving Funds						
Lyons High School	-	9,048	9,048	-	-	-
Lyons Middle School	-	7	7	-	-	-
Subtotal Revolving Funds	-	9,055	9,055	-	-	-
Total District Activity Funds	$ 75,114	$ 228,323	$ 232,321	$ 71,116	$ -	$ 71,116

UNIFIED SCHOOL DISTRICT NO. 405
SINGLE AUDIT SECTION
JUNE 30, 2024

INDEPENDENT AUDITOR'S 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 of Unified School District No. 405:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide,* the financial statement of Unified School District No. 405 (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 18, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District No. 405's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 405's internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 405's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 405's 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 financial statement. 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 Unified School District No. 405'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.

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas
November 18, 2024

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

To the Board of Education of Unified School District No. 405:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 405's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Unified School District No. 405's major federal programs for the year ended June 30, 2024. Unified School District No. 405'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, Unified School District No. 405 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 of 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; and the audit requirements of the Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and the 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 Unified School District No. 405 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. 405's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Unified School District No. 405'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 Unified School District No. 405'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 generally accepted auditing standards, *Government Auditing Standards,*

and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Unified School District's No. 405's compliance with the requirements of the 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 judgement 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. 405'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 Unified School District No. 405'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 Unified School District No. 405'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 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 a material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas
November 18, 2024

UNIFIED SCHOOL DISTRICT NO. 405
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statement of Unified School District No. 405 was prepared on the regulatory basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

2. No material weaknesses were identified and no significant deficiencies were reported in the design or operation of internal control over financial reporting.

3. No instances of noncompliance material to the financial statement of Unified School District No. 405, which would be required to be reported in accordance with *Government Auditing Standards,* were disclosed during the audit.

4. No material weaknesses were identified and no significant deficiencies were reported during the audit of the major federal award program.

5. The auditor's report on compliance for each major federal program for Unified School District No. 405 expresses an unmodified opinion on all major federal programs.

6. No audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.

7. The program tested as a major program was: Special Education Cluster (IDEA), Assistance Listing Numbers 84.027 and 84.173.

8. The threshold for distinguishing Type A and Type B programs was $750,000 for major Federal programs.

9. Unified School District No. 405 was determined to not be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT

None.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

None

UNIFIED SCHOOL DISTRICT NO. 405
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FINDINGS – FINANCIAL STATEMENT

None.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

None.

OTHER INFORMATION

UNIFIED SCHOOL DISTRICT NO. 405
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor	Assistance Listing Number	Pass-Through Entity Name	Name of Grant · Grant ID No.	Federal Expenditures
EXPENDITURES OF FEDERAL AWARDS				
Child Nutrition Cluster-Cluster				
United States Department of Agriculture				
School Breakfast Program	10.553	Kansas State Department of Education	School Breakfast 3529-3490	$ 47,666
National School Lunch Program	10.555	Kansas State Department of Education	Supply Chain Assistance 3530-3500	305,376
Summer Food Service Program for Children	10.559	Kansas State Department of Education	Summer Food Service 3230-3020	24,433
Summer Food Service Program for Children	10.559	Kansas State Department of Education	Cash for Commodities 3530-3500	12,269
Fresh Fruit and Vegetable Program	10.582	Kansas State Department of Education	Fresh Fruits & Vegetables 3230-3020	16,462
Total United States Department of Agriculture				406,206
Total Child Nutrition Cluster-Cluster				406,206
Special Education Cluster (IDEA)-Cluster				
Department of Education				
Special Education Grants to States	84.027	Kansas State Department of Education	Special Ed 3234-3050	464,747
Special Education Preschool Grants	84.173	Kansas State Department of Education	Special Ed Preschool 3535-3550	24,694
Total Department of Education				489,441
Total Special Education Cluster (IDEA)-Cluster				489,441
Other Programs				
United States Department of Agriculture				
Local Food for Schools Cooperative Agreement Program	10.185	Kansas State Department of Education	Supply Chain Assistance 3230-3020	5,498
Total United States Department of Agriculture				5,498
Department of Education				
Title I Grants to Local Educational Agencies	84.010	Kansas State Department of Education	Title I 3532-3520	207,389
Migrant Education State Grant Program	84.011	Kansas State Department of Education	Title I-C 3532-3520	4,857
Career and Technical Education -- Basic Grants to States	84.048	Kansas State Department of Education	Perkins V 90180	3,522
English Language Acquisition State Grants	84.365	Kansas State Department of Education	Title III 3522-3820	17,197

UNIFIED SCHOOL DISTRICT NO. 405
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor	Assistance Listing Number	Pass-Through Entity Name	Name of Grant · Grant ID No.	Federal Expenditures
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	Kansas State Department of Education	Title II 3526-3860	24,739
Student Support and Academic Enrichment Program	84.424	Kansas State Department of Education	Title IVA 3113-3113	20,945
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act (COVID-19)	84.425	Kansas State Department of Education	ESSER 3233-3040	4,135
Total Department of Education				282,784
Total Other Programs				288,282
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 1,183,929

No awards were passed through to subrecipients

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District No. 405 (the District) and is presented on the regulatory basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the aggregate cash and unencumbered cash balance and the aggregate receipts and expenditures of the District as described in Note 2 to the District's financial statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the schedule are reported on the regulatory basis of accounting, as described in Note 2 to the District's financial statement.

3. DE MINIMIS INDIRECT COST RATE

In accordance with Section 2 U.S. *Code of Federal Regulations* Part 200.412 the District is allowed to elect to use the 10% de minimis indirect cost rate. The District did not elect to use the 10% de minimis indirect cost rate.