UNIFIED SCHOOL DISTRICT NO. 407
RUSSELL, KANSAS

FINANCIAL STATEMENT
JUNE 30, 2023

BFR

UNIFIED SCHOOL DISTRICT NO. 407
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INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 407
Russell, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Unified School District No. 407, Russell, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement.

Adverse and Unmodified Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America
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. 407, Russell, Kansas**, 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. 407, Russell, Kansas**, as of **June 30, 2023**, 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; 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 Auditors' Responsibilities for the Audit of the Financial Statement section of the report. We are required to be independent of **Unified School District No. 407, Russell, Kansas** 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.

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Matter Giving Rise to Adverse Opinion on Accounting Principles Generally Accepted in the United State of America
As discussed in Note 1 of the financial statement, the financial statement is prepared by **Unified School District No. 407, Russell, Kansas**, on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the 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 **Unified School District No. 407, Russell, Kansas'** 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 auditors' 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 **Unified School District No. 407, Russell, Kansas'** 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 **Unified School District No. 407, Russell, Kansas'** 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, individual fund schedules of regulatory basis receipts and expenditures-actual, agency funds schedules of regulatory basis cash receipts and disbursements, and district activity funds schedules of regulatory basis cash receipts, expenditures, and unencumbered cash (Regulatory-Required Supplementary Information 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*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the

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 **Unified School District No. 407, Russell, Kansas**, as of and for the year ended June 30, 2022, and have issued our report thereon dated March 2, 2023, which contained an unmodified opinion on the basic financial statement.

The 2022 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 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2022 (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 2022 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 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 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 2022 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, 2022, 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 June 4, 2024, on our consideration of **Unified School District No. 407, Russell, Kansas'** 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 **Unified School District No. 407, Russell, Kansas'** 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. 407, Russell, Kansas'** internal control over financial reporting and compliance.

BFR CPA, LLC
June 4, 2024

UNIFIED SCHOOL DISTRICT NO. 407
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 0	$ 0	$ 7,346,085	$ 7,346,085	$ 0	$ 277,885	$ 277,885
Special Purpose Funds							
Supplemental General	87,194	0	2,508,404	2,439,710	155,888	12,144	168,032
At Risk (K-12)	0	0	1,299,328	1,272,336	26,992	0	26,992
Bilingual Education	3,567	0	1,220	1,717	3,070	0	3,070
Capital Outlay	1,278,469	0	1,196,825	764,935	1,710,359	228,102	1,938,461
Driver Training	24,031	0	9,752	8,032	25,751	0	25,751
Food Service	82,640	0	812,022	801,323	93,339	33,804	127,143
Professional Development	19,389	75	18,321	21,648	16,137	470	16,607
Special Education	294,844	0	1,491,487	1,700,946	85,385	35,495	120,880
Career and Postsecondary Education	36,574	0	370,946	383,632	23,888	8,525	32,413
KPERS Contribution	0	0	919,028	919,028	0	0	0
Federal Funds	(998,469)	0	1,832,894	929,728	(95,303)	29,829	(65,474)
Gifts and Grants	39,205	0	687,667	728,944	(2,072)	241,485	239,413
Special Reserve	1,003,169	0	3,677	0	1,006,846	0	1,006,846
Contingency Reserve	474,553	0	51,723	43,224	483,052	0	483,052
Textbook & Student Material Revolving	62,974	0	92,930	22,218	133,686	6,794	140,480
District Activity Funds	277,499	0	323,970	294,468	307,001	0	307,001
	$ 2,685,639	$ 75	$ 18,966,279	$ 17,677,974	$ 3,974,019	$ 874,533	$ 4,848,552

Composition of Cash:	
Checking Accounts	$ 1,275,482
Certificate of Deposit	5,974
Money Market Accounts	3,606,148
	4,887,604
Agency Funds	(39,052)
	$ 4,848,552

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

UNIFIED SCHOOL DISTRICT NO. 407
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Unified School District No. 407 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Russell, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

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

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

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

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 accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and bond & interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The budget was amended for the following funds:

Food Service 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 regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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 projects funds, trust funds, and the following special purpose funds:

Federal Funds	Gifts and Grants Fund
Special Reserve Fund	Contingency Reserve Fund
Textbook & Student Material Revolving 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.

Note 2 - Subsequent Events:

The District has evaluated subsequent events through June 4, 2024, the date which the financial statement was available to be issued.

Note 3 - Defined Benefit Pension Plan:

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.20% and 13.33%, respectively, for the fiscal year ended June 30, 2022. The actuarially determined employer contribution rate and the statutory contribution rate was 13.88% and 13.11% for the fiscal year ended June 30, 2023.

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 paymentsof $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 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for Fiscal Years 2022 and 2023. Fiscal Year 2022 was recertified from 14.09% to 13.33% and Fiscal Year 2023 from 13.86% to 13.11%. 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 pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 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 $919,028 for the year ended June 30, 2023.

Net Pension Liability

At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was $8,855,021. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. 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, 2022. 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 4 - 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 the 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.

Termination Benefits
A teacher is eligible for early retirement if such teacher is:

1. Currently a full-time employee of the school district;
2. has at least ten (10) years of eligible service with KPERS and with the school district; and
3. either qualified under applicable KPERS rules and regulations for full KPERS retirement benefits without reduction or not less than fifty-five (55) years and not more than sixty-four (64) years of age on September 1 of the school year in which the teacher submits application for early retirement benefits. Changes in KPERS retirement law will necessitate changes.

A teacher taking early retirement benefits shall have the option to maintain health insurance coverage through the school district's health insurance program by agreeing to pay their own monthly premium amounts.

Any teacher wishing to retire early before the normal retirement age of 65, will receive compensation as follows:

1. A benefit of $9,000 will be paid for retirement at age sixty-two (62) or less. The teacher may receive the $9,000 in three (3) annual payments consisting of $5,000 the first year, $2,500 the second year, and $1,500 the third year; in two annual payments of $4,500 each; or in one (1) lump sum payment of $9,000.
2. A benefit of $7,500 will be paid for retirement at age sixty-three (63). The teacher may receive the $7,500 in two (2) annual payments of $3,750 each; or in one (1) lump sum payment of $7,500.
3. A benefit of $5,000 will be paid for retirement at age sixty-four (64). If retiring at age sixty-four (64), the teacher must take the $5,000 in one (1) lump sum payment.

An eligible teacher who takes early retirement which is subject to KPERS reduction will be entitled to receive annually from the school district a sum of money, i.e., early retirement benefits, equal to the difference between the benefit the teacher would receive, through KPERS, if the teacher was at normal retirement age as defined by KPERS. The reduction (difference) will be calculated by the KPERS Board. This benefit will expire when the teacher reaches age 65. The estimated liability as of June 30, 2023, for employees eligible for early retirement was $14,854.

At June 30, 2023, one employees took early retirement.

Note 5 - Other Post Employment Benefits:

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, 2023.

Note 6 - Contingencies:

Grant Programs
The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

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 carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 7 - Deposits:

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

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 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%. All deposits were legally secured at June 30, 2023.

At June 30, 2023, the District's carrying amount of deposits was $4,887,604 and the bank balance was $5,444,678. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $750,000 was covered by federal depository insurance and the remaining $4,694,678 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Note 8 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

	Transfer to:						
Transfer from:	At Risk (K-12)	Bilingual Education	Food Service	Professional Development	Special Education	Career and Postsecondary Education	Total
General Fund	$ 1,010,391	$ 0	$ 0	$ 16,125	$ 1,011,027	$ 0	$ 2,037,543
Supplemental General Fund	287,886	1,220	9,633	0	395,098	359,722	1,053,559
	$ 1,298,277	$ 1,220	$ 9,633	$ 16,125	$ 1,406,125	$ 359,722	$ 3,091,102

Note 9 - Compensated Absences:

Sick Leave
In recognition of service rendered and accumulated sick leave which was unused, the separability pay shall be paid to any qualifying teacher, administrator, or classified employee under the following conditions:

Reduction in Force and Voluntary Separation
A teacher with ten or more years continuous employment shall be paid a stipend calculated as a percentage of the teacher's current daily rate of pay times the number of days accumulated, unused sick leave. The percentage used in the calculation shall equal the number of years of completed service not to exceed 20%.

Retirement
Any teacher with ten or more years continuous employment and is retiring through KPERS shall be paid a stipend calculated as a percentage of the teacher's current daily rate of pay times the number of days accumulated, unused sick leave. The percentage used in the calculation shall equal the number of years completed service, not to exceed 35%.

All separation stipends shall be subject to payroll taxes and will not apply to those whose employment is terminated for cause.

The District has employees eligible for separability pay who have accumulated a total of 1,647 unused sick leave days as of and for the year ended June 30, 2023. The estimated liability for unused sick leave at June 30, 2023, is $58,601 of which $37,683 is attributable to thirteen employees with twenty or more years of service who are eligible for retirement.

Note 10 - Reimbursed Expenditures:

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 the KMAAG regulatory basis of accounting.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 407
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	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 Fund	$ 7,456,540	$ (150,710)	$ 40,255	$ 7,346,085	$ 7,346,085	$ 0
Special Purpose Funds						
Supplemental General	2,483,987	(44,277)	0	2,439,710	2,439,710	0
At Risk (K-12)	1,320,000	0	0	1,320,000	1,272,336	(47,664)
Bilingual Education	7,500	0	0	7,500	1,717	(5,783)
Capital Outlay	2,027,000	0	0	2,027,000	764,935	(1,262,065)
Driver Training	11,553	0	0	11,553	8,032	(3,521)
Food Service	825,000	0	0	825,000	801,323	(23,677)
Professional Development	33,500	0	0	33,500	21,648	(11,852)
Special Education	2,249,130	0	0	2,249,130	1,700,946	(548,184)
Career and Postsecondary Education	400,000	0	0	400,000	383,632	(16,368)
KPERS Contribution	1,015,307	0	0	1,015,307	919,028	(96,279)
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	929,728	XXXXXXXXXX
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	728,944	XXXXXXXXXX
Special Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	43,224	XXXXXXXXXX
Textbook & Student Material Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	22,218	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	294,468	XXXXXXXXXX
	$ 17,829,517	$ (194,987)	$ 40,255	$ 17,674,785	$ 17,677,974	$ (2,015,393)

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 6,399	$ 40,734	$ 0	$ 40,734
State Sources	7,028,411	7,305,351	7,456,540	(151,189)
	7,034,810	7,346,085	$ 7,456,540	$ (110,455)
Expenditures				
Instruction	3,010,319	2,849,514	$ 3,243,675	$ (394,161)
Student Support Services	105,219	113,089	103,200	9,889
Instructional Support Staff	76,794	71,903	75,300	(3,397)
General Administration	248,929	551,505	254,000	297,505
School Administration	517,003	423,770	445,700	(21,930)
Central Services	287,455	274,807	283,950	(9,143)
Operations & Maintenance	667,746	944,038	599,854	344,184
Student Transportation Services	40,965	79,916	75,000	4,916
Transfers	2,080,380	2,037,543	2,375,861	(338,318)
Adjustment to Comply with Legal Max	0	0	(150,710)	150,710
Adjustment for Qualifying Budget Credits	0	0	40,255	(40,255)
	7,034,810	7,346,085	$ 7,346,085	$ 0
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Supplemental General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,288,809	$ 1,350,003	$ 1,213,050	$ 136,953
County Sources	148,051	143,726	150,653	(6,927)
State Sources	930,819	1,014,675	1,033,090	(18,415)
	2,367,679	2,508,404	$ 2,396,793	$ 111,611
Expenditures				
Instruction	426,220	388,441	$ 410,000	$ (21,559)
Student Support Services	23,587	45,802	26,500	19,302
Instructional Support Staff	1,292	33	2,000	(1,967)
General Administration	223,355	177,102	224,500	(47,398)
School Administration	73,254	238,985	85,200	153,785
Central Services	71,648	136,036	82,109	53,927
Operations & Maintenance	397,392	230,015	300,920	(70,905)
Student Transportation Services	205,600	169,737	177,800	(8,063)
Transfers	914,632	1,053,559	1,174,958	(121,399)
Adjustment to Comply with Legal Max	0	0	(44,277)	44,277
	2,336,980	2,439,710	$ 2,439,710	$ 0
Receipts Over (Under) Expenditures	30,699	68,694		
Unencumbered Cash, Beginning	55,835	87,194		
Prior Year Canceled Encumbrances	660	0		
Unencumbered Cash, Ending	$ 87,194	$ 155,888		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

At Risk (K-12) Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,192,656	$ 1,051	$ 0	$ 1,051
Transfers	0	1,298,277	1,320,000	(21,723)
	1,192,656	1,299,328	$ 1,320,000	$ (20,672)
Expenditures				
Instruction	850,719	932,866	$ 932,000	$ 866
Student Support Services	283,084	290,329	288,000	2,329
Instructional Support Staff	11,270	3,774	10,000	(6,226)
School Administration	65,276	45,367	90,000	(44,633)
	1,210,349	1,272,336	$ 1,320,000	$ (47,664)
Receipts Over (Under) Expenditures	(17,693)	26,992		
Unencumbered Cash, Beginning	17,693	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 26,992		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Bilingual Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 2,143	$ 1,220	$ 9,236	$ (8,016)
	2,143	1,220	$ 9,236	$ (8,016)
Expenditures				
Instruction	0	1,717	$ 7,500	$ (5,783)
	0	1,717	$ 7,500	$ (5,783)
Receipts Over (Under) Expenditures	2,143	(497)		
Unencumbered Cash, Beginning	1,424	3,567		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 3,567	$ 3,070		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Capital Outlay Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,028,983	$ 917,036	$ 602,314	$ 314,722
County Sources	63,635	63,188	63,406	(218)
State Sources	166,970	216,601	219,677	(3,076)
	1,259,588	1,196,825	$ 885,397	$ 311,428
Expenditures				
Instruction	114,315	71,900	$ 115,000	$ (43,100)
Student Support Services	0	340	12,000	(11,660)
General Administration	280	18,117	0	18,117
Central Services	2,812	13,910	20,000	(6,090)
Operations & Maintenance	707,188	573,385	1,630,000	(1,056,615)
Transportation	0	75,582	250,000	(174,418)
Facility Acquisition & Construction Services	0	11,701	0	11,701
	824,595	764,935	$ 2,027,000	$ (1,262,065)
Receipts Over (Under) Expenditures	434,993	431,890		
Unencumbered Cash, Beginning	842,686	1,278,469		
Prior Year Canceled Encumbrances	790	0		
Unencumbered Cash, Ending	$ 1,278,469	$ 1,710,359		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Driver Training Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 5,301	$ 6,532	$ 7,500	$ (968)
State Sources	3,782	3,220	2,970	250
	9,083	9,752	$ 10,470	$ (718)
Expenditures				
Instruction	6,273	7,968	$ 11,553	$ (3,585)
Other Support Services	0	64	0	64
	6,273	8,032	$ 11,553	$ (3,521)
Receipts Over (Under) Expenditures	2,810	1,720		
Unencumbered Cash, Beginning	21,221	24,031		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 24,031	$ 25,751		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Food Service Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 21,061	$ 170,993	$ 108,255	$ 62,738
State Sources	3,697	4,944	4,031	913
Federal Sources	597,206	626,452	631,085	(4,633)
Transfers	13,780	9,633	13,000	(3,367)
	635,744	812,022	$ 756,371	$ 55,651
Expenditures				
Operations & Maintenance	23,005	6,092	$ 98,000	$ (91,908)
Food Service Operation	706,850	795,231	727,000	68,231
	729,855	801,323	$ 825,000	$ (23,677)
Receipts Over (Under) Expenditures	(94,111)	10,699		
Unencumbered Cash, Beginning	176,751	82,640		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 82,640	$ 93,339		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Professional Development Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 0	$ 2,196	$ 6,750	$ (4,554)
Transfers	0	16,125	18,861	(2,736)
	0	18,321	$ 25,611	$ (7,290)
Expenditures				
Instructional Support Staff	6,592	16,792	$ 33,500	$ (16,708)
Central Services	0	4,856	0	4,856
	6,592	21,648	$ 33,500	$ (11,852)
Receipts Over (Under) Expenditures	(6,592)	(3,327)		
Unencumbered Cash, Beginning	25,981	19,389		
Prior Year Canceled Encumbrances	0	75		
Unencumbered Cash, Ending	$ 19,389	$ 16,137		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Special Education Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 43,563	$ 39,875	$ 50,000	$ (10,125)
Federal Sources	67,204	45,487	283,470	(237,983)
Transfers	1,389,433	1,406,125	1,767,000	(360,875)
	1,500,200	1,491,487	$ 2,100,470	$ (608,983)
Expenditures				
Instruction	926,653	1,135,015	$ 1,217,330	$ (82,315)
Student Support Services	392,897	378,785	404,700	(25,915)
Instructional Support Staff	0	80	400	(320)
School Administration	185,267	187,009	626,700	(439,691)
Student Transportation Services	0	57	0	57
	1,504,817	1,700,946	$ 2,249,130	$ (548,184)
Receipts Over (Under) Expenditures	(4,617)	(209,459)		
Unencumbered Cash, Beginning	299,311	294,844		
Prior Year Canceled Encumbrances	150	0		
Unencumbered Cash, Ending	$ 294,844	$ 85,385		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Career and Postsecondary Education Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 0	$ 8,041	$ 0	$ 8,041
Federal Sources	2,229	3,183	2,000	1,183
Transfers	397,000	359,722	359,722	0
	399,229	370,946	$ 361,722	$ 9,224
Expenditures				
Instruction	366,702	383,632	$ 400,000	$ (16,368)
	366,702	383,632	$ 400,000	$ (16,368)
Receipts Over (Under) Expenditures	32,527	(12,686)		
Unencumbered Cash, Beginning	4,047	36,574		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 36,574	$ 23,888		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

KPERS Contribution Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 940,099	$ 919,028	$ 1,015,307	$ (96,279)
	940,099	919,028	$ 1,015,307	$ (96,279)
Expenditures				
Instruction	620,861	606,944	$ 685,027	$ (78,083)
Student Support Services	65,132	63,671	67,500	(3,829)
Instructional Support Staff	5,873	5,742	6,500	(758)
General Administration	43,378	42,406	44,800	(2,394)
School Administration	73,466	71,819	74,300	(2,481)
Central Services	21,185	20,711	23,200	(2,489)
Operations & Maintenance	59,850	58,509	62,300	(3,791)
Student Transportation Services	15,941	15,584	16,250	(666)
Food Service Operation	34,413	33,642	35,430	(1,788)
	940,099	919,028	$ 1,015,307	$ (96,279)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Federal Funds

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	$ 1,246,463	$ 1,832,894
	1,246,463	1,832,894
Expenditures		
Instruction	588,535	734,140
Student Support Services	37,126	97,145
Instructional Support Staff	66,444	32,612
General Administration	13,248	9,296
School Administration	13,759	56,535
Operations & Maintenance	1,443,816	0
Student Transportation Services	1,443	0
	2,164,371	929,728
Receipts Over (Under) Expenditures	(917,908)	903,166
Unencumbered Cash, Beginning	(80,561)	(998,469)
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ (998,469)	$ (95,303)

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 35,168	$ 672,954
State Sources	0	14,713
	35,168	687,667
Expenditures		
Instruction	39,327	668,701
General Administration	0	60,243
	39,327	728,944
Receipts Over (Under) Expenditures	(4,159)	(41,277)
Unencumbered Cash, Beginning	43,323	39,205
Prior Year Canceled Encumbrances	41	0
Unencumbered Cash, Ending	$ 39,205	$ (2,072)

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Special Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 2,049	$ 3,677
	2,049	3,677
Expenditures		
Health Care Services	293,077	0
	293,077	0
Receipts Over (Under) Expenditures	(291,028)	3,677
Unencumbered Cash, Beginning	1,294,197	1,003,169
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 1,003,169	$ 1,006,846

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 0	$ 51,723
	0	51,723
Expenditures		
Instruction	0	15,423
Student Support Services	0	1,077
Instructional Support Staff	0	2,155
General Administration	9,550	2,273
School Administration	0	5,927
Operations & Maintenance	12,323	4,624
Student Transportation Services	0	3,987
Food Service Operation	0	7,758
	21,873	43,224
Receipts Over (Under) Expenditures	(21,873)	8,499
Unencumbered Cash, Beginning	495,890	474,553
Prior Year Canceled Encumbrances	536	0
Unencumbered Cash, Ending	$ 474,553	$ 483,052

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Textbook & Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 55,534	$ 92,930
	55,534	92,930
Expenditures		
Instruction	40,219	22,218
	40,219	22,218
Receipts Over (Under) Expenditures	15,315	70,712
Unencumbered Cash, Beginning	47,659	62,974
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 62,974	$ 133,686

UNIFIED SCHOOL DISTRICT NO. 407
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Russell High School				
Library Fund	$ 144	$ 0	$ 0	$ 144
Athletic Training Fund	283	0	283	0
Art Classes Fund	309	525	420	414
Band Account Fund	10	474	302	182
Scholars' Bowl Fund	1,149	0	75	1,074
Spanish Account Fund	1	0	0	1
Rusty WMS Memorial Golf Fund	2,156	0	0	2,156
SADD Fund	145	270	0	415
Kay Club Fund	269	912	0	1,181
Letterman's Club Fund	82	0	0	82
Open-1 Fund	559	2,354	0	2,913
Explorers Club Fund	818	0	0	818
Counselor's Acc't Fund	292	0	0	292
Student Council Fund	5,646	1,750	1,034	6,362
Vocal Music Fund	1,505	865	1,098	1,272
Key Club Fund	533	0	0	533
e-Sports Club Fund	82	0	0	82
FACS Fund	386	2,130	1,148	1,368
RHS Class of 2025	700	946	33	1,613
RHS Class of 2024	693	5,596	3,666	2,623
RHS Class of 2027	1,189	1,270	1,646	813
RHS Class of 2026	2,324	510	2,324	510
	19,275	17,602	12,029	24,848
Ruppenthal Middle School				
Bronco Pride	3,080	743	1,959	1,864
STUCO	1,885	1,721	565	3,041
	4,965	2,464	2,524	4,905
Other				
Payroll Clearing	7,283	4,398	2,382	9,299
	7,283	4,398	2,382	9,299
Total Agency Funds	$ 31,523	$ 24,464	$ 16,935	$ 39,052

UNIFIED SCHOOL DISTRICT NO. 407
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Russell High School							
Athletics Fund Bal	$ 18,872	$ 0	$ 22,714	$ 36,149	$ 5,437	$ 0	$ 5,437
Athletics Clothing Fund	385	0	250	0	635	0	635
Gate Receipts Fund	10,202	0	49,761	37,366	22,597	0	22,597
Tournaments Fund	8,595	0	67	3,479	5,183	0	5,183
Entry Fees Fund	1,695	0	3,742	4,910	527	0	527
Football Fund	4,509	0	22,172	18,693	7,988	0	7,988
Volleyball Fund	2,581	0	4,507	4,522	2,566	0	2,566
Girls Tennis Fund	2,100	0	321	0	2,421	0	2,421
Cross Country Fund	1,121	0	449	362	1,208	0	1,208
Girls Golf Fund	1,860	0	300	818	1,342	0	1,342
Boys Basketball Fund	2,167	0	2,200	1,023	3,344	0	3,344
Girls Basketball Fund	5,509	0	6,513	4,693	7,329	0	7,329
Wrestling Fund	1,836	0	1,925	2,272	1,489	0	1,489
Boys and Girls Track Fund	8,808	0	1,500	7,161	3,147	0	3,147
Baseball Fund	2,252	0	4,580	5,880	952	0	952
Softball Fund	2,111	0	2,000	1,469	2,642	0	2,642
Boys Tennis Fund	2,726	0	150	0	2,876	0	2,876
Boys Golf Fund	149	0	1,100	1,388	(139)	0	(139)
Drama Club Fund	349	0	0	0	349	0	349
Faculty Fund	31	0	959	325	665	0	665
Nat'l BSNS Honor Society Fund	924	0	30	259	695	0	695
Electric Car Fund	494	0	0	0	494	0	494
Power Lifting Fund	1,618	0	0	390	1,228	0	1,228
	80,894	0	125,240	131,159	74,975	0	74,975

UNIFIED SCHOOL DISTRICT NO. 407
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Russell High School (Continued)							
Bronco Media Fund	702	0	0	110	592	0	592
RHS Bronco Store Fund	416	0	818	94	1,140	0	1,140
SPED Fund	0	0	931	697	234	0	234
FB Meals, T-shirts, Ins. Fund	47	0	0	0	47	0	47
Bldg Fund	2,858	0	2,683	2,082	3,459	0	3,459
Scholarship Fund	5,364	0	17,784	12,634	10,514	0	10,514
Natural Helper Fund	46	0	0	0	46	0	46
School Pictures (Class of '54) Fund	569	0	0	0	569	0	569
S A F E Fund	1,222	0	0	0	1,222	0	1,222
All School Play Fund	4,671	0	3,603	2,299	5,975	0	5,975
Cheerleaders Fund	751	0	9,289	10,612	(572)	0	(572)
Dance Fund	1,755	0	6,045	3,091	4,709	0	4,709
Concessions Fund	18,115	0	25,345	24,628	18,832	0	18,832
Regional Music Fund	25	0	0	0	25	0	25
Project Management Fund	1,268	0	0	0	1,268	0	1,268
Theater - ITS Fund	100	0	0	0	100	0	100
FFA Fund	6,457	0	37,219	26,962	16,714	0	16,714
Holocaust Class Fund	0	0	250	200	50	0	50
Woodshop Fund	7,743	0	6,598	6,346	7,995	0	7,995
VOC Ag Fund	4,624	0	1,502	94	6,032	0	6,032
Yearbook/Journalism Fund	3,220	0	3,271	4,059	2,432	0	2,432
RHS Honor Society	11	0	250	54	207	0	207
FCCLA	183	0	1,186	873	496	0	496
Touchstone Fund (Russell Wear)	453	0	0	0	453	0	453
	141,494	0	242,014	225,994	157,514	0	157,514

UNIFIED SCHOOL DISTRICT NO. 407
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Ruppenthal Middle School							
Library Fund	315	0	79	28	366	0	366
Building Fund	2,822	0	0	0	2,822	0	2,822
Weight Room Fund	180	0	90	0	270	0	270
Classroom Instructional Fund	425	0	0	0	425	0	425
Ala Carte Fund	48	0	0	0	48	0	48
Kitchen Fund	148	0	640	372	416	0	416
Box Tops Fund	705	0	44	452	297	0	297
Art Fund	4,087	0	2,461	1,834	4,714	0	4,714
Bsns and Computer Ed Fund	953	0	28	0	981	0	981
Music Fund	5,038	0	6	1,352	3,692	0	3,692
Technology Fund	6,335	0	246	72	6,509	0	6,509
Technology in the Classroom Fund	0	0	17	0	17	0	17
FACS Fund	1,904	0	519	1,302	1,121	0	1,121
Math(Online) Enrichmt Prgm Fund	100	0	0	0	100	0	100
Yearbook Fund	85	0	0	275	(190)	0	(190)
Gifts Fund	4,415	0	1,887	2,590	3,712	0	3,712
Band Gifts Fund	1,170	0	0	0	1,170	0	1,170
McDonald's Grant Fund	(9)	0	9	0	0	0	0
MTSS Fund	718	0	133	0	851	0	851
Tech Grant-Power of Wind	0	0	191	0	191	0	191
Counts After School Prgm Fund	2,803	0	569	36	3,336	0	3,336
	32,242	0	6,919	8,313	30,848	0	30,848

UNIFIED SCHOOL DISTRICT NO. 407
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Ruppenthal Middle School (Continued)							
Field Trips Fund	137	0	368	505	0	0	0
Bronco Brigade Fund	148	0	0	0	148	0	148
Builders Club Fund	130	0	1,181	403	908	0	908
Musicfest Fund	526	0	0	0	526	0	526
Owls Fund	2,643	0	0	0	2,643	0	2,643
Principal's Adv. Council Fund	802	0	0	111	691	0	691
Quiz Bowl Fund	1,894	0	0	0	1,894	0	1,894
Science Olympiad Fund	1,082	0	0	545	537	0	537
Student Activity Fund	5,374	0	1,326	187	6,513	0	6,513
Athletics-AD Fund	25,261	0	15,518	8,995	31,784	0	31,784
Boys Basketball Fund	2,023	0	35	0	2,058	0	2,058
Girls Basketball Fund	304	0	0	0	304	0	304
Cheerleading Fund	2,336	0	0	506	1,830	0	1,830
Football Fund	3,240	0	95	686	2,649	0	2,649
Track Fund	1,814	0	65	0	1,879	0	1,879
Volleyball Fund	837	0	0	0	837	0	837
Wrestling Fund	3,028	0	0	78	2,950	0	2,950
Concessions Fund	1,453	0	18,523	20,057	(81)	0	(81)
Gates and Receipts Fund	4,731	0	9,713	8,686	5,758	0	5,758
	90,005	0	53,743	49,072	94,676	0	94,676

UNIFIED SCHOOL DISTRICT NO. 407
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Bickerdyke Elementary							
Pictures	1,637	0	1,254	1,159	1,732	0	1,732
Library	1,493	0	1,598	2,122	969	0	969
B. Bunch	0	0	6,056	2,798	3,258	0	3,258
OWLS	2,394	0	2,928	114	5,208	0	5,208
Donations/Grants	14,286	0	6,493	3,573	17,206	0	17,206
	19,810	0	18,329	9,766	28,373	0	28,373
Simpson Elementary							
Pictures - Simpson	2,085	0	399	375	2,109	0	2,109
School Supplies	207	0	0	0	207	0	207
Building Fund	690	0	0	0	690	0	690
Donations/Grants	13,958	0	8,362	7,360	14,960	0	14,960
Tutoring Supplies	944	0	0	0	944	0	944
Library - Simpson	545	0	0	0	545	0	545
Art Fund	99	0	0	0	99	0	99
School Activities	277	0	300	300	277	0	277
	18,805	0	9,061	8,035	19,831	0	19,831
Scholarships	7,385	0	823	1,601	6,607	0	6,607
	7,385	0	823	1,601	6,607	0	6,607
Total District Activity Funds	$ 277,499	$ 0	$ 323,970	$ 294,468	$ 307,001	$ 0	$ 307,001

FEDERAL AWARD INFORMATION

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

Board of Education
Unified School District No. 407
Russell, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Unified School District No. 407, Russell, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement, which collectively comprise **Unified School District No. 407, Russell, Kansas'** basic financial statement, and have issued our report thereon dated June 4, 2024. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Unified School District No. 407, Russell, Kansas'** 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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Unified School District No. 407, Russell, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 407, Russell, 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 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 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.

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Board of Education
Unified School District No. 407

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Unified School District No. 407, Russell, 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 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 result 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.

BFR CPA, LLC

BFR CPA, LLC
June 4, 2024

BFR

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

Board of Education
Unified School District No. 407
Russell, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Unified School District No. 407, Russell, 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. 407, Russell, Kansas'** major federal programs for the year ended **June 30, 2023**. **Unified School District No. 407, Russell, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **Unified School District No. 407, Russell, Kansas** 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, 2023**.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit 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), and the *Kansas Municipal Audit and Accounting Guide*. 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. 407, Russell, Kansas** 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of **Unified School District No. 407, Russell, Kansas'** compliance with the compliance requirements referred to above.

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Board of Education
Unified School District No. 407

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. 407, Russell, Kansas'** major 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. 407, Russell, 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a 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 aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Unified School District No. 407, Russell, Kansas'** compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *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. 407, Russell, 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. 407, Russell, 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. 407, Russell, 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.

Board of Education
Unified School District No. 407

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 major 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 major 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 major 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weakness 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 result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BFR CPA, LLC
June 4, 2024

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Grant Title	Assistance Listing Number	Program Amount	Expenditures
(Passes Through Kansas Department of Education)			
Department of Agriculture			
Child Nutrition Cluster-Cluster			
School Breakfast Program	10.553	$ 90,137	$ 90,137
National School Lunch Program	10.555	419,121	419,121
Summer Food Service Program for Children	10.559	117,195	117,195
		626,453	626,453
Department of Education			
Special Education Cluster (IDEA)-Cluster			
Special Education Grants to States	84.027	236,635	236,635
Special Education Preschool Grants	84.173	5,467	5,467
		242,102	242,102
Title I Grants to Local Educational Agencies	84.010	213,789	213,789
Career and Technical Education - Basic Grants to States	84.048	3,183	3,183
Twenty-First Century Community Learning Centers	84.287	109,115	109,115
Supporting Effective Instruction State Grants	84.367	38,883	38,883
Student Support and Academic Enrichment Program	84.424	19,596	19,596
COVID-19 Education Stabilization Fund	84.425D	63,535	63,535
COVID-19 Education Stabilization Fund	84.425U	1,399,832	242,708
		1,847,933	690,809
(Passes Through Kansas Department of Health and Environment)			
Department of Health and Human Services			
Medicaid Cluster-Cluster			
Medical Assistance Program	93.778	45,487	45,487
Total Federal Awards		$ 2,761,975	$ 1,604,851

The accompanying notes are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 407
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Unified School District No. 407, Russell, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. 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).

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.

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement in accordance with the regulatory basis of accounting of **Unified School District No. 407, Russell, Kansas**.

2. No significant deficiencies or material weaknesses were reported in the 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*.

3. No instances of noncompliance material to the financial statement of **Unified School District No. 407, Russell, Kansas**, were disclosed during the audit.

4. No significant deficiencies or material weakness were reported in the Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance.

5. The independent auditors' report on compliance for the major federal award programs for **Unified School District No. 407, Russell, Kansas**, expresses an unmodified opinion on all major federal programs.

6. There were no audit findings relative to the major federal award programs for **Unified School District No. 407, Russell, Kansas**.

7. The programs tested as major programs were:

Child Nutrition Cluster-Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
COVID-19 Education Stabilization Fund	84.425D
COVID-19 Education Stabilization Fund	84.425U

8. The threshold for distinguishing Types A and B programs was $750,000.

9. **Unified School District No. 407, Russell, Kansas**, was determined not to be a low-risk auditee.

UNIFIED SCHOOL DISTRICT NO. 407
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

There are no prior audit findings.