# UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended June 30, 2024

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
Financial Statement With Independent Auditors' Report
For the Year Ended June 30, 2024

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# INDEPENDENT AUDITORS' REPORT

To the Board of Education
**Unified School District No. 489 Hays, Kansas**
Hays, Kansas

## Report on the Audit of the Financial Statement

### Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Unified School District No. 489 Hays, 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 matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2024, or changes in financial position and cash flows thereof for the year then ended.

*Unmodified Opinion on Regulatory Basis of Accounting*
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

### Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

**Responsibilities of Management for the Financial Statement**

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

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

**Auditors' Responsibilities for the Audit of the Financial Statement**

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

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

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

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

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated February 5, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. 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 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement 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 1.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over

financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**ADAMSBROWN, LLC**
Certified Public Accountants
Hays, Kansas

January 20, 2025

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

| Funds | Beginning Unencumbered Cash Balance | Prior Period Adjustment | Prior Year Cancelled Encumbrances | Receipts | Expenditures | **Ending Unencumbered Cash Balance** | Add Encumbrances and Accounts Payable | **Ending Cash Balance** |
|---|---|---|---|---|---|---|---|---|
| **Regulatory Basis Fund Types** | | | | | | | | |
| **General Funds** | | | | | | | | |
| General Fund | $ - | - | - | 24,899,527 | 24,881,333 | **18,194** | 137,341 | **155,535** |
| Supplemental General Fund | 704,661 | - | - | 7,572,889 | 7,748,375 | **529,175** | 108,692 | **637,867** |
| **Special Purpose Funds** | | | | | | | | |
| At Risk (4 Year Old) Fund | 201 | - | 28 | 537,419 | 528,415 | **9,233** | 16,653 | **25,886** |
| At Risk (K-12) Fund | 106,640 | - | - | 4,016,992 | 4,101,394 | **22,238** | - | **22,238** |
| Bilingual Education Fund | - | - | - | 282,000 | 281,513 | **487** | - | **487** |
| Virtual Education Fund | 16,013 | - | - | 200,576 | 165,460 | **51,129** | 3,380 | **54,509** |
| Capital Outlay Fund | 6,512,385 | - | 57,609 | 4,535,081 | 5,424,873 | **5,680,202** | 891,344 | **6,571,546** |
| Driver Training Fund | 87,204 | - | - | 72,035 | 68,590 | **90,649** | 3,000 | **93,649** |
| Extraordinary School Program Fund | 168,567 | - | - | 251,081 | 216,579 | **203,069** | 3,114 | **206,183** |
| Food Service Fund | 907,669 | - | 7,378 | 2,562,354 | 2,731,520 | **745,881** | 3,487 | **749,368** |
| Professional Development Fund | 50,754 | - | - | 201,798 | 147,271 | **105,281** | - | **105,281** |
| Parent Education Program Fund | 15,482 | - | - | 123,117 | 138,025 | **574** | 7,838 | **8,412** |
| Summer School Fund | 120,000 | - | - | 50,000 | 5,559 | **164,441** | 5,559 | **170,000** |
| Special Education Fund | 553,137 | - | - | 6,407,503 | 5,769,976 | **1,190,664** | - | **1,190,664** |
| Vocational Education Fund | 59,145 | - | - | 682,534 | 670,208 | **71,471** | - | **71,471** |
| Miscellaneous Mini Grants Fund | 98,549 | - | - | 644,620 | 592,713 | **150,456** | 9,723 | **160,179** |
| KPERS Special Retirement Contribution Fund | - | - | - | 3,673,242 | 3,673,242 | **-** | - | **-** |
| Coop Special Education Fund | 1,275,807 | - | - | 8,764,679 | 9,472,968 | **567,518** | 12,393 | **579,911** |
| Contingency Reserve Fund | 1,241,749 | - | - | - | - | **1,241,749** | - | **1,241,749** |
| Textbooks and Materials Fund | 275,124 | - | 3,742 | 938,687 | 557,097 | **660,456** | 2,635 | **663,091** |
| Federal Funds Fund | (892,133) | - | 3,324 | 4,575,972 | 4,525,021 | **(837,858)** | 347,096 | **(490,762)** |
| Recreation Commission Fund | 81,933 | - | - | 1,345,622 | 1,367,700 | **59,855** | - | **59,855** |
| Recreation Commission Employee Benefits Fund | - | - | - | 171,122 | 171,122 | **-** | - | **-** |
| District Activity Funds | 474,008 | (2,961) | 4,222 | 1,531,697 | 1,483,732 | **523,234** | 12,391 | **535,625** |
| **Bond and Interest Fund** | | | | | | | | |
| Bond and Interest Fund | 3,120,357 | - | - | 8,679,866 | 6,740,350 | **5,059,873** | - | **5,059,873** |
| **Capital Project Fund** | | | | | | | | |
| District Building Improvements Fund | 119,127,746 | - | - | 6,555,550 | 109,174,484 | **16,508,812** | 94,616,302 | **111,125,114** |
| **Total Reporting Entity (Excluding Agency Funds)** | $ 134,104,998 | (2,961) | 76,303 | 89,275,963 | 190,637,520 | **32,816,783** | 96,180,948 | **128,997,731** |

| **Composition of Cash** | | |
|---|---|---|
| | Checking Accounts | $ **14,338,589** |
| | Savings Accounts | **1,830,353** |
| | Investments | **112,913,482** |
| | Total Cash | **129,082,424** |
| | Agency Funds per Schedule 3 | **(84,693)** |
| | **Total Reporting Entity (Excluding Agency Funds)** | $ **128,997,731** |

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

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Unified School District No. 489 Hays, Kansas** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

### Financial Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. 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.

#### Recreation Commission

Hays Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body but the District levies the tax for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. Audited financial statements can be obtained by contacting the recreation commission's office.

### Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

### Regulatory Basis Fund Types

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

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

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

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

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

### Basis of Accounting

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the

reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

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

## NOTE 2 – BUDGETARY INFORMATION

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

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

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

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

d. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were budget amendments for this year for the General Fund, At Risk (4 Year Old) Fund and At Risk (K-12) Fund.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and

encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for trust funds and the following special purpose funds: Contingency Reserve Fund, Textbooks and Materials Fund, Federal Funds Fund, and District Activity Funds.

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

## NOTE 3 – DEPOSITS AND INVESTMENTS

**Unified School District No. 489 Hays, Kansas** follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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

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

As of June 30, 2024, the District had the following investments and maturities:

| Investment Type | | **Cost Basis** | Investment Maturities Less than 1 year | Rating |
|---|---|---|---|---|
| U.S. Government and Agency Bonds | $ | **106,814,317** | 106,814,317 | A+ |
| Other Bonds | | **6,099,165** | 6,099,165 | A+ |
| **Total** | $ | **112,913,482** | 112,913,482 | |

Concentration of Credit Risk
State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405. The District's allocation of investments as of June 30, 2024, is as follows:

| Investments | Percentage of Investments |
|---|---|
| U.S. Government and Agency Bonds | 95% |
| Other Bonds | 5% |

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District does not use "peak periods". All deposits were legally secured at June 30, 2024.

At June 30, 2024, the District's carrying amount of deposits was $16,168,942 and the bank balance was $17,881,213. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, $1,000,000 was covered by federal depository insurance and $16,881,213 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial Credit Risk – Investments
For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

## NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 489 Hays, Kansas'** interfund transfers and regulatory authority for the year ended June 30, 2024 were as follows:

| From | To | Regulatory Authority | Amount |
|---|---|---|---|
| General Fund | At Risk (4 Year Old) Fund | K.S.A. 72-5167 | $ 426,599 |
| General Fund | At Risk (K-12) Fund | K.S.A. 72-5167 | 2,932,522 |
| General Fund | Virtual Education Fund | K.S.A. 72-5167 | 200,576 |
| General Fund | Extraordinary School Program Fund | K.S.A. 72-5167 | 35,000 |
| General Fund | Professional Development Fund | K.S.A. 72-5167 | 160,000 |
| General Fund | Parent Education Program Fund | K.S.A. 72-5167 | 32,255 |
| General Fund | Summer School Fund | K.S.A. 72-5167 | 25,000 |
| General Fund | Special Education Fund | K.S.A. 72-5167 | 6,146,958 |
| General Fund | Vocational Education Fund | K.S.A. 72-5167 | 650,000 |
| General Fund | Textbooks and Materials Fund | K.S.A. 72-5167 | 321,647 |
| Supplemental General Fund | At Risk (K-12) Fund | K.S.A. 72-5143 | 1,084,470 |
| Supplemental General Fund | Bilingual Education Fund | K.S.A. 72-5143 | 282,000 |
| Supplemental General Fund | Professional Development Fund | K.S.A. 72-5143 | 25,000 |
| Supplemental General Fund | Summer School Fund | K.S.A. 72-5143 | 25,000 |
| Supplemental General Fund | Special Education Fund | K.S.A. 72-5143 | 260,545 |
| Supplemental General Fund | Textbooks and Materials Fund | K.S.A. 72-5143 | 308,444 |
| Special Education Fund | Coop Special Education Fund | K.S.A. 72-968 | 5,477,921 |

## NOTE 5 – CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

| | | Project Authorization | Expenditures |
|---|---|---|---|
| District School Buildings Updates | $ | 143,500,000 | 140,646,774 |

## NOTE 6 – LITIGATION

**Unified School District No. 489 Hays, Kansas** is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the District.

## NOTE 7 – RISK MANAGEMENT

**Unified School District No. 489 Hays, Kansas** is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. The District has been unable to obtain commercial insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other Districts in the State of Kansas to participate in the Kansas Educational Risk Management Pool, LLC (KICS), a public entity risk pool currently operating as a common risk management and insurance program for 98 participating members.

The District pays an annual premium to Kansas Educational Risk Management Pool, LLC (KICS) for its commercial insurance coverage. The agreement to participate provides that KICS will be self-sustaining through member premiums and will reinsure through commercial companies for property claims in excess of $500,000 for each insured property occurrence and $100,000 for each liability occurrence. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KICS management.

Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

## NOTE 8 – GRANTS AND SHARED REVENUES

**Unified School District No. 489 Hays, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

## NOTE 9 – DEFERRED COMPENSATION PLAN

**Unified School District No. 489 Hays, Kansas** sponsors deferred compensation plans under Internal Revenue Code Sections 403(b) and 457(b). Permanent and part-time employees are eligible to participate under these plans. The employee is responsible for the amount of deferred compensation to be contributed. The District is not required to make any contributions.

## NOTE 10 – DEFINED BENEFIT PENSION PLAN

### General Information about the Pension Plan

Plan Description
**Unified School District No. 489 Hays, Kansas** participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Annual Comprehensive Financial Report which can be found on the KPERS website at **www.kpers.org** or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.88% 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%, respectively, 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 $3,673,242 for the year ended June 30, 2024.

**Net Pension Liability**

At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $39,152,600. 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.

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS**

As provided by K.S.A. 12-5040, **Unified School District No. 489 Hays, Kansas** allows retirees to participate in the group health insurance plan. The District pays 100% of the premium for each retiree for single coverage and each retiree is responsible for any amounts above the single coverage premium. The District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of the subsidy has not been quantified in this financial statement.

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

As provided by K.S.A.74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2024.

The District provides post-retirement healthcare benefits in accordance with state statutes. The District allows early retirees, those retiring under the provisions of full KPERS retirement requirements, to remain on the District's health policy until age 65 or Medicare eligible. It is required that these employees have been employed full-time by the District for the preceding 15 years before retirement. The year of retirement must be included in the 15 consecutive years of employment. Beginning in 2012-2013, there is a maximum 10 year payout. The annual District contribution will be frozen at the fiscal year 2013 actual cost of retiree health insurance. The District will pay a minimum of $6,910 annually toward the retired employees' health insurance in the District pool for employees retiring prior to June 30, 2016. Employees that retired during the 2016-2017 school year would receive $6,000 annually, employees that retired during the 2017-2018 school year would receive $4,800 annually, and employees that retired during the 2018-2019 school year would receive $3,000 annually. For the year ended June 30, 2024, 16 retirees met those eligibility requirements. Expenditures for post-retirement healthcare benefits are recognized as retirees report claims. During the year, expenditures of $113,691 were recognized for post-retirement healthcare.

## NOTE 12 – COMPENSATED ABSENCES

**Vacation**
Classified personnel who have completed a full year of service on June 1 are granted vacation based on length of service. All vacation awarded in any given year shall be taken during that same contract year.

**Sick Leave**
**Unified School District No. 489 Hays, Kansas'** contracts with various employees permit them to accumulate sick leave. Certified and non-certified personnel may accumulate sick leave at two days per annum and one day per contract month with full salary.

Classified staff hired in the 2015-2016 school year and subsequent years will be paid up to 80 days of unused sick leave at a rate of $45 per day if a minimum of 20 days is accumulated.

For classified staff employed prior to the 2015-2016 school year and have a sick leave balance of 100 days or more as of June 30, 2015, they will be capped at their June 30, 2015 balance and paid $65 per day less the first 20 days. For classified staff employed prior to the 2015-2016 school year and have a sick leave balance under 100 days, they will be paid $65 per day for a maximum payment of 80 days.

Upon termination, employees with five years of service will receive accumulated sick leave pay at their qualified rate.

## NOTE 13 – PRIOR PERIOD ADJUSTMENT

Beginning unencumbered cash decreased by $2,961 due to reclassification of activities of District Activity Funds and Agency Funds.

## NOTE 14 – LONG-TERM DEBT

**Unified School District No. 489 Hays, Kansas** has the following type of long-term debt.

**General Obligation Bonds**

On September 1, 2022, the District issued $143,500,000 in General Obligation Bonds Series 2022-B for the purpose of building site improvements.

**Lease Obligations**
The District has entered into lease agreements for the use of property and equipment. Each lease contains a fiscal funding clause.

Changes in long-term liabilities for the District for the 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 | Additions | Reductions/ Payments | **Balance End of Year** | Interest Paid |
|---|---|---|---|---|---|---|---|---|---|
| **General Obligation Bonds** | | | | | | | | | |
| Series 2022-B | 4.00% - 5.00% | 9/1/2022 | $ 143,500,000 | 9/1/2052 | $ 143,500,000 | - | - | **143,500,000** | 6,740,350 |
| **Finance Leases** | | | | | | | | | |
| Oak Park Purchase | 3.49% | 12/21/2018 | 1,800,000 | 1/15/2029 | 1,156,223 | - | (175,080) | **981,143** | 40,222 |
| Roosevelt HVAC | 1.39% | 4/15/2021 | 2,160,000 | 9/1/2031 | 1,965,000 | - | (205,000) | **1,760,000** | 25,889 |
| HVAC and Field Improvements | 3.93% | 3/1/2023 | 4,955,000 | 9/1/2038 | 2,523,658 | 2,421,939 | - | **4,945,597** | 196,969 |
| **Total Finance Leases** | | | | | 5,644,881 | 2,421,939 | (380,080) | **7,686,740** | 263,080 |
| **Total Contractual Indebtedness** | | | | | $ 149,144,881 | 2,421,939 | (380,080) | **151,186,740** | 7,003,430 |

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

| | YEAR | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 - 2034 | 2035 - 2039 | 2040 - 2044 | 2045 - 2049 | 2050 - 2053 | **Total** |
| **Principal** | | | | | | | | | | | |
| General Obligation Bonds | $ 1,840,000 | 1,975,000 | 2,115,000 | 2,265,000 | 2,420,000 | 14,755,000 | 20,075,000 | 26,900,000 | 35,620,000 | 35,535,000 | **143,500,000** |
| Finance Leases | 547,601 | 664,125 | 685,783 | 707,675 | 725,959 | 2,345,000 | 2,010,597 | - | - | - | **7,686,740** |
| **Total Principal** | **2,387,601** | **2,639,125** | **2,800,783** | **2,972,675** | **3,145,959** | **17,100,000** | **22,085,597** | **26,900,000** | **35,620,000** | **35,535,000** | **151,186,740** |
| **Interest** | | | | | | | | | | | |
| General Obligation Bonds | 6,694,350 | 6,598,975 | 6,496,725 | 6,387,225 | 6,270,100 | 29,297,375 | 24,969,875 | 19,131,750 | 11,399,650 | 2,922,100 | **120,168,125** |
| Finance Leases | 249,090 | 231,340 | 211,026 | 190,444 | 166,941 | 585,183 | 206,808 | - | - | - | **1,840,832** |
| **Total Interest** | **6,943,440** | **6,830,315** | **6,707,751** | **6,577,669** | **6,437,041** | **29,882,558** | **25,176,683** | **19,131,750** | **11,399,650** | **2,922,100** | **122,008,957** |
| **Total Principal and Interest** | $ **9,331,041** | **9,469,440** | **9,508,534** | **9,550,344** | **9,583,000** | **46,982,558** | **47,262,280** | **46,031,750** | **47,019,650** | **38,457,100** | **273,195,697** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Regulatory-Required Supplementary Information

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Summary of Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended June 30, 2024

| Funds | Certified Budget | Adjustment to Comply With Legal Max | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | **Expenditures Chargeable to Current Year** | Variance Over (Under) |
|---|---|---|---|---|---|---|
| **Regulatory Basis Fund Types** | | | | | | |
| **General Funds** | | | | | | |
| General Fund | $ 25,027,017 | (244,475) | 98,791 | 24,881,333 | **24,881,333** | - |
| Supplemental General Fund | 7,748,375 | - | - | 7,748,375 | **7,748,375** | - |
| **Special Purpose Funds** | | | | | | |
| At Risk (4 Year Old) Fund | 568,670 | - | - | 568,670 | **528,415** | (40,255) |
| At Risk (K-12) Fund | 4,102,534 | - | - | 4,102,534 | **4,101,394** | (1,140) |
| Bilingual Education Fund | 329,756 | - | - | 329,756 | **281,513** | (48,243) |
| Virtual Education Fund | 219,454 | - | - | 219,454 | **165,460** | (53,994) |
| Capital Outlay Fund | 7,604,492 | - | - | 7,604,492 | **5,424,873** | (2,179,619) |
| Driver Training Fund | 132,380 | - | - | 132,380 | **68,590** | (63,790) |
| Extraordinary School Program Fund | 433,754 | - | - | 433,754 | **216,579** | (217,175) |
| Food Service Fund | 3,287,248 | - | - | 3,287,248 | **2,731,520** | (555,728) |
| Professional Development Fund | 183,550 | - | - | 183,550 | **147,271** | (36,279) |
| Parent Education Program Fund | 144,844 | - | - | 144,844 | **138,025** | (6,819) |
| Summer School Fund | 120,000 | - | - | 120,000 | **5,559** | (114,441) |
| Special Education Fund | 6,152,610 | - | - | 6,152,610 | **5,769,976** | (382,634) |
| Vocational Education Fund | 733,998 | - | - | 733,998 | **670,208** | (63,790) |
| Miscellaneous Mini Grants Fund | 729,162 | - | - | 729,162 | **592,713** | (136,449) |
| KPERS Special Retirement Contribution Fund | 4,238,395 | - | - | 4,238,395 | **3,673,242** | (565,153) |
| Coop Special Education Fund | 9,915,642 | - | - | 9,915,642 | **9,472,968** | (442,674) |
| Recreation Commission Fund | 1,367,700 | - | - | 1,367,700 | **1,367,700** | - |
| Recreation Commission Employee Benefits Fund | 202,000 | - | - | 202,000 | **171,122** | (30,878) |
| **Bond and Interest Fund** | | | | | | |
| Bond and Interest Fund | 6,740,350 | - | - | 6,740,350 | **6,740,350** | - |

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

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**General Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| Equalization Aid | $ 19,747,218 | **21,090,756** | 21,104,153 | (13,397) |
| Mineral Severance Tax | 29,552 | **18,194** | - | 18,194 |
| State Aid | 148,478 | **98,791** | - | 98,791 |
| Special Education State Aid | 3,350,425 | **3,691,786** | 3,922,864 | (231,078) |
| Other Local Sources | | | | |
| Reimbursements | 8,163 | **-** | - | - |
| **Total Receipts** | 23,283,836 | **24,899,527** | 25,027,017 | (127,490) |
| **Expenditures** | | | | |
| Instruction | 6,894,255 | **7,146,224** | 6,746,431 | 399,793 |
| Student Support Services | 3,544 | **3,705** | 5,900 | (2,195) |
| Instructional Support Services | 50,748 | **22,002** | 17,100 | 4,902 |
| General Administration | 679,095 | **638,495** | 649,305 | (10,810) |
| School Administration | 1,389,105 | **1,425,187** | 1,510,640 | (85,453) |
| Central Services | 1,248,673 | **1,045,151** | 1,058,670 | (13,519) |
| Operations and Maintenance | 2,469,940 | **2,787,019** | 2,879,790 | (92,771) |
| Student Transportation Services | 920,245 | **882,993** | 1,157,040 | (274,047) |
| Operating Transfers | 9,628,231 | **10,930,557** | 11,002,141 | (71,584) |
| Adjustment to Comply With Legal Max | - | **-** | (244,475) | 244,475 |
| Legal General Fund Budget | 23,283,836 | **24,881,333** | 24,782,542 | 98,791 |
| (a) Adjustment for Qualifying Budget Credit | - | **-** | 98,791 | (98,791) |
| **Total Expenditures** | 23,283,836 | **24,881,333** | 24,881,333 | - |
| **Receipts Over (Under) Expenditures** | - | **18,194** | | |
| **Unencumbered Cash - Beginning** | - | **-** | | |
| **Unencumbered Cash - Ending** | $ - | **18,194** | | |

**(a) Adjustment for Qualifying Budget Credit**

| | |
|---|---|
| State Aid Over Amount Budgeted | $ 98,791 |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Supplemental General Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Taxes | $ 5,323,646 | **5,519,570** | 5,684,876 | (165,306) |
| Intergovernmental Revenues | | | | |
| Equalization Aid | 1,897,789 | **2,053,319** | 2,053,319 | - |
| **Total Receipts** | 7,221,435 | **7,572,889** | 7,738,195 | (165,306) |
| **Expenditures** | | | | |
| Instruction | 3,226,971 | **2,919,912** | 3,267,737 | (347,825) |
| Student Support Services | 737,831 | **615,880** | 711,007 | (95,127) |
| Instructional Support Services | 882,772 | **1,003,561** | 800,750 | 202,811 |
| School Administration | 530,246 | **564,766** | 623,568 | (58,802) |
| Central Services | 147,799 | **221,884** | 353,590 | (131,706) |
| Operations and Maintenance | 482,498 | **436,913** | 468,103 | (31,190) |
| Student Transportation Services | 1,125 | **-** | 1,150 | (1,150) |
| Operating Transfers | 1,179,351 | **1,985,459** | 1,522,470 | 462,989 |
| **Total Expenditures** | 7,188,593 | **7,748,375** | 7,748,375 | - |
| **Receipts Over (Under) Expenditures** | 32,842 | **(175,486)** | | |
| **Unencumbered Cash - Beginning** | 671,819 | **704,661** | | |
| **Unencumbered Cash - Ending** | $ 704,661 | **529,175** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**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)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Other Local Sources | | | | |
| Operating Transfers | $ 365,388 | **426,599** | 457,655 | (31,056) |
| Reimbursements | 98,947 | **110,820** | 110,814 | 6 |
| **Total Receipts** | 464,335 | **537,419** | 568,469 | (31,050) |
| **Expenditures** | | | | |
| Instruction | 386,448 | **432,384** | 478,587 | (46,203) |
| Instructional Support Services | 892 | **586** | 5,000 | (4,414) |
| School Administration | 53,436 | **54,834** | 56,645 | (1,811) |
| Central Services | - | **701** | - | 701 |
| Operations and Maintenance | 23,575 | **39,910** | 28,438 | 11,472 |
| **Total Expenditures** | 464,351 | **528,415** | 568,670 | (40,255) |
| **Receipts Over (Under) Expenditures** | (16) | **9,004** | | |
| **Unencumbered Cash - Beginning** | 217 | **201** | | |
| **Prior Year Cancelled Encumbrances** | - | **28** | | |
| **Unencumbered Cash - Ending** | $ 201 | **9,233** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**At Risk (K-12) Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 2,559 | **-** | - | - |
| Other Local Sources | | | | |
| Operating Transfers | 3,708,587 | **4,016,992** | 4,016,992 | - |
| **Total Receipts** | 3,711,146 | **4,016,992** | 4,016,992 | - |
| **Expenditures** | | | | |
| Instruction | 3,203,425 | **3,481,894** | 3,658,834 | (176,940) |
| Student Support Services | 370,715 | **511,852** | 339,750 | 172,102 |
| Instructional Support Services | 100,041 | **107,547** | 103,950 | 3,597 |
| School Administration | - | **101** | - | 101 |
| **Total Expenditures** | 3,674,181 | **4,101,394** | 4,102,534 | (1,140) |
| **Receipts Over (Under) Expenditures** | 36,965 | **(84,402)** | | |
| **Unencumbered Cash - Beginning** | 69,675 | **106,640** | | |
| **Unencumbered Cash - Ending** | $ 106,640 | **22,238** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**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)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Other Local Sources | | | | |
| Operating Transfers | $ 283,834 | **282,000** | 330,000 | (48,000) |
| **Expenditures** | | | | |
| Instruction | 283,834 | **281,373** | 329,256 | (47,883) |
| Student Support Services | - | **140** | 500 | (360) |
| **Total Expenditures** | 283,834 | **281,513** | 329,756 | (48,243) |
| **Receipts Over (Under) Expenditures** | - | **487** | | |
| **Unencumbered Cash - Beginning** | - | **-** | | |
| **Unencumbered Cash - Ending** | $ - | **487** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Virtual Education Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Other Local Sources | | | | |
| Operating Transfers | $ 157,176 | **200,576** | 200,576 | - |
| **Expenditures** | | | | |
| Instruction | 74,092 | **164,373** | 215,329 | (50,956) |
| School Administration | 85,949 | **1,087** | 3,625 | (2,538) |
| Operations and Maintenance | - | **-** | 500 | (500) |
| **Total Expenditures** | 160,041 | **165,460** | 219,454 | (53,994) |
| **Receipts Over (Under) Expenditures** | (2,865) | **35,116** | | |
| **Unencumbered Cash - Beginning** | 18,878 | **16,013** | | |
| **Unencumbered Cash - Ending** | $ 16,013 | **51,129** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Capital Outlay Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Taxes | $ 3,288,265 | **3,567,371** | 3,333,649 | 233,722 |
| Intergovernmental Revenues | | | | |
| Federal Aid | 320,000 | **-** | - | - |
| State Aid | 267,062 | **298,347** | 298,596 | (249) |
| Other Local Sources | | | | |
| Interest on Idle Funds | 206,187 | **417,469** | 150,000 | 267,469 |
| SDAC | 58,489 | **90,045** | - | 90,045 |
| Reimbursements | 860,152 | **-** | - | - |
| Miscellaneous Income | 122,601 | **161,849** | 300,000 | (138,151) |
| **Total Receipts** | 5,122,756 | **4,535,081** | 4,082,245 | 452,836 |
| **Expenditures** | | | | |
| Instruction | - | **184,350** | 727,500 | (543,150) |
| Instructional Support Services | - | **9,000** | 100,000 | (91,000) |
| General Administration | 1,304 | **47,125** | 80,000 | (32,875) |
| Central Services | 864,879 | **811,298** | 878,700 | (67,402) |
| Operations and Maintenance | 323,315 | **347,321** | 1,840,000 | (1,492,679) |
| Transportation | 279,715 | **17,402** | 335,000 | (317,598) |
| Facility Acquisition and Construction | 915,702 | **3,580,519** | 3,205,602 | 374,917 |
| Debt Service | 223,669 | **427,858** | 437,690 | (9,832) |
| **Total Expenditures** | 2,608,584 | **5,424,873** | 7,604,492 | (2,179,619) |
| **Receipts Over (Under) Expenditures** | 2,514,172 | **(889,792)** | | |
| **Unencumbered Cash - Beginning** | 3,436,029 | **6,512,385** | | |
| **Prior Year Cancelled Encumbrances** | 562,184 | **57,609** | | |
| **Unencumbered Cash - Ending** | $ 6,512,385 | **5,680,202** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Driver Training Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 33,880 | **34,655** | 33,750 | 905 |
| Federal Aid | - | **-** | 34,290 | (34,290) |
| Other Local Sources | | | | |
| Fees | 46,550 | **37,380** | 50,000 | (12,620) |
| **Total Receipts** | 80,430 | **72,035** | 118,040 | (46,005) |
| **Expenditures** | | | | |
| Instruction | 78,519 | **68,590** | 103,880 | (35,290) |
| Vehicle Operations | - | **-** | 28,500 | (28,500) |
| **Total Expenditures** | 78,519 | **68,590** | 132,380 | (63,790) |
| **Receipts Over (Under) Expenditures** | 1,911 | **3,445** | | |
| **Unencumbered Cash - Beginning** | 85,293 | **87,204** | | |
| **Unencumbered Cash - Ending** | $ 87,204 | **90,649** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Extraordinary School Program Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Other Local Sources | | | | |
| Tuition Fees | $ 195,662 | **179,287** | 194,000 | (14,713) |
| FHSU Workstudy | 30,981 | **31,094** | 45,000 | (13,906) |
| Miscellaneous Income | 4,387 | **5,700** | - | 5,700 |
| Operating Transfers | 35,000 | **35,000** | 35,000 | - |
| **Total Receipts** | 266,030 | **251,081** | 274,000 | (22,919) |
| **Expenditures** | | | | |
| Instruction | 85,574 | **81,112** | 92,475 | (11,363) |
| Student Support Services | 161,846 | **135,467** | 291,279 | (155,812) |
| Other Support Services | - | **-** | 50,000 | (50,000) |
| **Total Expenditures** | 247,420 | **216,579** | 433,754 | (217,175) |
| **Receipts Over (Under) Expenditures** | 18,610 | **34,502** | | |
| **Unencumbered Cash - Beginning** | 149,957 | **168,567** | | |
| **Unencumbered Cash - Ending** | $ 168,567 | **203,069** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Food Service Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 19,543 | **18,683** | 14,550 | 4,133 |
| Federal Aid | 1,647,103 | **1,584,777** | 1,462,481 | 122,296 |
| Other Local Sources | | | | |
| Food Service Receipts | 836,022 | **852,219** | 849,363 | 2,856 |
| Interest on Idle Funds | 15,387 | **33,263** | 12,000 | 21,263 |
| Miscellaneous Income | 63,809 | **73,412** | 42,643 | 30,769 |
| **Total Receipts** | 2,581,864 | **2,562,354** | 2,381,037 | 181,317 |
| **Expenditures** | | | | |
| Central Services | - | **2,190** | - | 2,190 |
| Operations and Maintenance | 58,902 | **80,651** | 580,389 | (499,738) |
| Food Service Operation | 2,585,985 | **2,648,679** | 2,706,859 | (58,180) |
| **Total Expenditures** | 2,644,887 | **2,731,520** | 3,287,248 | (555,728) |
| **Receipts Over (Under) Expenditures** | (63,023) | **(169,166)** | | |
| **Unencumbered Cash - Beginning** | 970,692 | **907,669** | | |
| **Prior Year Cancelled Encumbrances** | - | **7,378** | | |
| **Unencumbered Cash - Ending** | $ 907,669 | **745,881** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Professional Development Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 8,251 | **16,798** | 25,500 | (8,702) |
| Other Local Sources | | | | |
| Operating Transfers | 81,750 | **185,000** | 160,000 | 25,000 |
| **Total Receipts** | 90,001 | **201,798** | 185,500 | 16,298 |
| **Expenditures** | | | | |
| Instruction | - | **27,872** | - | 27,872 |
| Instructional Support Services | 51,438 | **99,660** | 167,550 | (67,890) |
| School Administration | 2,542 | **7,249** | - | 7,249 |
| Central Services | - | **12,490** | 16,000 | (3,510) |
| **Total Expenditures** | 53,980 | **147,271** | 183,550 | (36,279) |
| **Receipts Over (Under) Expenditures** | 36,021 | **54,527** | | |
| **Unencumbered Cash - Beginning** | 14,733 | **50,754** | | |
| **Unencumbered Cash - Ending** | $ 50,754 | **105,281** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Parent Education Program Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 71,556 | **76,570** | 82,229 | (5,659) |
| Other Local Sources | | | | |
| Payment From Other School District | 20,377 | **10,535** | - | 10,535 |
| Operating Transfers | 31,316 | **32,255** | 32,255 | - |
| KPAT | 7,841 | **3,757** | 14,944 | (11,187) |
| **Total Receipts** | 131,090 | **123,117** | 129,428 | (6,311) |
| **Expenditures** | | | | |
| Instruction | 115 | **8,922** | - | 8,922 |
| Student Support Services | 116,516 | **117,739** | 134,934 | (17,195) |
| Instructional Support Services | 400 | **151** | 1,370 | (1,219) |
| School Administration | 5,089 | **6,668** | - | 6,668 |
| Central Services | 106 | **1,821** | 6,740 | (4,919) |
| Operations and Maintenance | 1,400 | **2,724** | - | 2,724 |
| Other Support Services | - | **-** | 1,800 | (1,800) |
| **Total Expenditures** | 123,626 | **138,025** | 144,844 | (6,819) |
| **Receipts Over (Under) Expenditures** | 7,464 | **(14,908)** | | |
| **Unencumbered Cash - Beginning** | 7,954 | **15,482** | | |
| **Prior Year Cancelled Encumbrances** | 64 | **-** | | |
| **Unencumbered Cash - Ending** | $ 15,482 | **574** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Summer School Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Other Local Sources | | | | |
| Operating Transfers | $ - | **50,000** | - | 50,000 |
| **Expenditures** | | | | |
| Instruction | - | **5,559** | 120,000 | (114,441) |
| **Receipts Over (Under) Expenditures** | - | **44,441** | | |
| **Unencumbered Cash - Beginning** | 120,000 | **120,000** | | |
| **Unencumbered Cash - Ending** | $ 120,000 | **164,441** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Special Education Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Other Local Sources | | | | |
| Operating Transfers | $ 5,395,587 | **6,407,503** | 5,599,473 | 808,030 |
| **Expenditures** | | | | |
| Instruction | - | **28,939** | 321,017 | (292,078) |
| Central Services | - | **8,448** | - | 8,448 |
| Operations and Maintenance | 2,429 | **-** | 3,000 | (3,000) |
| Vehicle Operating Services | 205,630 | **254,668** | 229,120 | 25,548 |
| Operating Transfers | 5,160,881 | **5,477,921** | 5,599,473 | (121,552) |
| **Total Expenditures** | 5,368,940 | **5,769,976** | 6,152,610 | (382,634) |
| **Receipts Over (Under) Expenditures** | 26,647 | **637,527** | | |
| **Unencumbered Cash - Beginning** | 526,490 | **553,137** | | |
| **Unencumbered Cash - Ending** | $ 553,137 | **1,190,664** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Vocational Education Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| Federal Aid | $ 32,395 | **32,534** | - | 32,534 |
| Other Local Sources | | | | |
| Operating Transfers | 393,944 | **650,000** | 672,690 | (22,690) |
| **Total Receipts** | 426,339 | **682,534** | 672,690 | 9,844 |
| **Expenditures** | | | | |
| Instruction | 391,414 | **670,208** | 733,998 | (63,790) |
| **Receipts Over (Under) Expenditures** | 34,925 | **12,326** | | |
| **Unencumbered Cash - Beginning** | 24,220 | **59,145** | | |
| **Unencumbered Cash - Ending** | $ 59,145 | **71,471** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Miscellaneous Mini Grants Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 630,666 | **594,241** | 582,229 | 12,012 |
| State Aid - Checkoff | 316 | **355** | - | 355 |
| Federal Aid | 11,846 | **30,969** | - | 30,969 |
| Other Local Sources | | | | |
| Donations | - | **-** | 10,000 | (10,000) |
| Public Grants | 69,210 | **19,055** | 40,000 | (20,945) |
| **Total Receipts** | 712,038 | **644,620** | 632,229 | 12,391 |
| **Expenditures** | | | | |
| Instruction | 306,249 | **327,735** | 336,999 | (9,264) |
| Student Support Services | 153,140 | **148,050** | 155,239 | (7,189) |
| Instructional Support Services | 28,743 | **17,070** | 40,083 | (23,013) |
| School Administration | 28,173 | **29,441** | 32,080 | (2,639) |
| Central Services | - | **210** | - | 210 |
| Operations and Maintenance | 101,345 | **70,207** | 59,761 | 10,446 |
| Building Improvements | - | **-** | 105,000 | (105,000) |
| **Total Expenditures** | 617,650 | **592,713** | 729,162 | (136,449) |
| **Receipts Over (Under) Expenditures** | 94,388 | **51,907** | | |
| **Unencumbered Cash - Beginning** | 4,161 | **98,549** | | |
| **Unencumbered Cash - Ending** | $ 98,549 | **150,456** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**KPERS Special Retirement Contribution Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 3,622,560 | **3,673,242** | 4,238,395 | (565,153) |
| **Expenditures** | | | | |
| Instruction | 2,427,115 | **2,461,073** | 2,808,395 | (347,322) |
| Student Support Services | 181,128 | **183,662** | 210,000 | (26,338) |
| Instructional Support Services | 181,128 | **183,662** | 210,000 | (26,338) |
| General Administration | 144,902 | **146,930** | 175,000 | (28,070) |
| School Administration | 253,579 | **257,127** | 300,000 | (42,873) |
| Central Services | 36,226 | **36,732** | 50,000 | (13,268) |
| Operations and Maintenance | 181,128 | **183,662** | 225,000 | (41,338) |
| Student Transportation Services | 108,677 | **110,197** | 130,000 | (19,803) |
| Food Service Operation | 108,677 | **110,197** | 130,000 | (19,803) |
| **Total Expenditures** | 3,622,560 | **3,673,242** | 4,238,395 | (565,153) |
| **Receipts Over (Under) Expenditures** | - | **-** | | |
| **Unencumbered Cash - Beginning** | - | **-** | | |
| **Unencumbered Cash - Ending** | $ - | **-** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Coop Special Education Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Intergovernmental Revenues | | | | |
| State Aid | $ 5,480 | **4,058** | - | 4,058 |
| Federal Aid | 1,077,723 | **1,162,526** | 1,128,183 | 34,343 |
| Medicaid - State Funded | 297,832 | **279,064** | 310,000 | (30,936) |
| Other Local Sources | | | | |
| Out of District Tuition | 592,245 | **777,195** | 889,138 | (111,943) |
| Reimbursed Equalization Aid | 904,463 | **1,001,553** | 912,418 | 89,135 |
| Interest on Idle Funds | 37,252 | **42,630** | 2,000 | 40,630 |
| Miscellaneous Income | 19,463 | **19,732** | 23,600 | (3,868) |
| Operating Transfers | 5,160,881 | **5,477,921** | 5,489,490 | (11,569) |
| **Total Receipts** | 8,095,339 | **8,764,679** | 8,754,829 | 9,850 |
| **Expenditures** | | | | |
| Instruction | 6,261,735 | **6,765,615** | 7,068,795 | (303,180) |
| Student Support Services | 1,760,186 | **2,093,770** | 2,121,718 | (27,948) |
| Instructional Support Staff | 50,341 | **40,494** | 91,884 | (51,390) |
| Special Area Administration Services | 393,992 | **424,246** | 471,985 | (47,739) |
| School Administration | 103,896 | **91,514** | 110,660 | (19,146) |
| Central Services | 54,248 | **30,654** | 50,600 | (19,946) |
| Operations and Maintenance | - | **26,675** | - | 26,675 |
| **Total Expenditures** | 8,624,398 | **9,472,968** | 9,915,642 | (442,674) |
| **Receipts Over (Under) Expenditures** | (529,059) | **(708,289)** | | |
| **Unencumbered Cash - Beginning** | 1,804,866 | **1,275,807** | | |
| **Unencumbered Cash - Ending** | $ 1,275,807 | **567,518** | | |

Schedule 2-19

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**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)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | $ | - | **-** |
| **Expenditures** | | - | **-** |
| **Receipts Over (Under) Expenditures** | | - | **-** |
| **Unencumbered Cash - Beginning** | | 1,241,749 | **1,241,749** |
| **Unencumbered Cash - Ending** | $ | 1,241,749 | **1,241,749** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Textbooks and Materials 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)

| | Prior Year Actual | **Current Year Actual** |
|---|---|---|
| **Receipts** | | |
| Other Local Sources | | |
| Operating Transfers | $ 355,000 | **630,091** |
| Miscellaneous Income | 26,538 | **26,071** |
| Textbook and Material Fees | 284,725 | **282,525** |
| **Total Receipts** | 666,263 | **938,687** |
| **Expenditures** | | |
| Instruction | 777,704 | **294,383** |
| Student Support Services | 23,861 | **23,526** |
| Instructional Support Services | 21,292 | **21,555** |
| School Administration | 199,471 | **217,633** |
| **Total Expenditures** | 1,022,328 | **557,097** |
| **Receipts Over (Under) Expenditures** | (356,065) | **381,590** |
| **Unencumbered Cash - Beginning** | 593,895 | **275,124** |
| **Prior Year Cancelled Encumbrances** | 37,294 | **3,742** |
| **Unencumbered Cash - Ending** | $ 275,124 | **660,456** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**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)

| | Prior Year Actual | **Current Year Actual** |
|---|---|---|
| **Receipts** | | |
| Intergovernmental Revenues | | |
| Federal Aid - Title II A Teacher Quality | $ 161,376 | **136,637** |
| Federal Aid - ESSER II | 702,355 | **-** |
| Federal Aid - ESSER III | 3,059,066 | **473,380** |
| Federal Aid - ARP ESSER COVID-19 | - | **6,751** |
| Federal Aid - KDHE Testing | 428,862 | **214,757** |
| Federal Aid - Title III English Language | 21,941 | **14,126** |
| Federal Aid - Title I | 545,318 | **560,547** |
| Federal Aid - Title I Migrant | 45,000 | **45,000** |
| Federal Aid - Head Start | 1,567,496 | **1,714,311** |
| Federal Aid - Early Head Start | 1,286,614 | **1,269,694** |
| Federal Aid - Carl Perkins | 6,000 | **5,200** |
| State Aid - Early Head Start | 72,941 | **59,763** |
| Other Local Sources | | |
| Reimbursements | 72,504 | **71,322** |
| Miscellaneous Income | - | **4,484** |
| **Total Receipts** | 7,969,473 | **4,575,972** |
| **Expenditures** | | |
| Instruction | 3,639,258 | **3,562,516** |
| Student Support Services | 113,059 | **105,136** |
| Instructional Support Services | 411,879 | **260,071** |
| General Administration | 11,162 | **12,031** |
| School Administration | 243,106 | **232,867** |
| Central Services | 3,189 | **3,895** |
| Operations and Maintenance | 481,590 | **187,571** |
| Student Transportation Services | 12,885 | **134,519** |
| Food Service | 24,371 | **26,415** |
| Building Improvements | 145,000 | **-** |
| **Total Expenditures** | 5,085,499 | **4,525,021** |
| **Receipts Over (Under) Expenditures** | 2,883,974 | **50,951** |
| **Unencumbered Cash - Beginning** | (3,781,394) | **(892,133)** |
| **Prior Year Cancelled Encumbrances** | 5,287 | **3,324** |
| **Unencumbered Cash - Ending** | $ (892,133) | **(837,858)** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Recreation Commission Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Taxes | $ 1,223,610 | **1,345,622** | 1,283,317 | 62,305 |
| **Expenditures** | | | | |
| Community Service Operations | 1,228,500 | **1,367,700** | 1,367,700 | - |
| **Receipts Over (Under) Expenditures** | (4,890) | **(22,078)** | | |
| **Unencumbered Cash - Beginning** | 86,823 | **81,933** | | |
| **Unencumbered Cash - Ending** | $ 81,933 | **59,855** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**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)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Taxes | $ 160,040 | **171,122** | 202,935 | (31,813) |
| **Expenditures** | | | | |
| Community Service Operations | 160,040 | **171,122** | 202,000 | (30,878) |
| **Receipts Over (Under) Expenditures** | - | **-** | | |
| **Unencumbered Cash - Beginning** | - | **-** | | |
| **Unencumbered Cash - Ending** | $ - | **-** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**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)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Taxes | $ 4,073,549 | **4,814,763** | 4,411,071 | 403,692 |
| Other Local Sources | | | | |
| Sales Tax | 2,246,620 | **3,865,103** | 3,600,000 | 265,103 |
| Reimbursements | 154,436 | **-** | - | - |
| **Total Receipts** | 6,474,605 | **8,679,866** | 8,011,071 | 668,795 |
| **Expenditures** | | | | |
| Debt Service | 3,354,248 | **6,740,350** | 6,740,350 | - |
| **Receipts Over (Under) Expenditures** | 3,120,357 | **1,939,516** | | |
| **Unencumbered Cash - Beginning** | - | **3,120,357** | | |
| **Unencumbered Cash - Ending** | $ 3,120,357 | **5,059,873** | | |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**District Building Improvements Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

| | Prior Year Actual | **Current Year Actual** |
|---|---|---|
| **Receipts** | | |
| Intergovernmental Revenues | | |
| Federal Aid | $ - | **74,919** |
| Other Local Sources | | |
| Bond Proceeds | 143,500,000 | **-** |
| Original Issue Premium | 10,843,986 | **-** |
| Interest on Idle Funds | 2,266,130 | **6,480,631** |
| **Total Receipts** | 156,610,116 | **6,555,550** |
| **Expenditures** | | |
| Facility Acquisition and Construction | 33,872,958 | **105,752,780** |
| Underwriter's Discount | 1,793,750 | **-** |
| Cost of Issuance | 293,276 | **3,421,704** |
| Insurance Premiums | 320,321 | **-** |
| Debt Service | 2,181,030 | **-** |
| **Total Expenditures** | 38,461,335 | **109,174,484** |
| **Receipts Over (Under) Expenditures** | 118,148,781 | **(102,618,934)** |
| **Unencumbered Cash - Beginning** | 978,965 | **119,127,746** |
| **Unencumbered Cash - Ending** | $ 119,127,746 | **16,508,812** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**Agency Funds**
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

| Funds | Beginning Cash Balance | Prior Period Adjustment | Receipts | Disbursements | **Ending Cash Balance** |
|---|---|---|---|---|---|
| **High School** | | | | | |
| Class of 2023 | $ 6,007 | - | - | 6,007 | **-** |
| Class of 2024 | 3,507 | - | 2,509 | 4,190 | **1,826** |
| Class of 2025 | 6,561 | - | 3,973 | 9,020 | **1,514** |
| Class of 2026 | 3,378 | - | 3,447 | 499 | **6,326** |
| Class of 2027 | - | - | 3,583 | 635 | **2,948** |
| Project Graduation | 8,254 | - | 17,995 | 22,422 | **3,827** |
| DECA | 4,263 | - | 18,204 | 17,806 | **4,661** |
| Concessions | 2,499 | (2,499) | - | - | **-** |
| FFA | 9,831 | - | 42,537 | 44,110 | **8,258** |
| National Honor Society | 4,302 | - | 3,316 | 2,818 | **4,800** |
| Spanish | 273 | (273) | - | - | **-** |
| STUCO | 235 | - | 18,383 | 17,593 | **1,025** |
| Leadership Team | 1,679 | (1,679) | - | - | **-** |
| Helping Hands | 7,839 | - | 8,559 | 8,039 | **8,359** |
| Tribe Anglers Club | 270 | - | - | - | **270** |
| Knitting Club | 461 | - | - | - | **461** |
| Chess Club | 149 | - | 170 | - | **319** |
| Guitar Club | 104 | - | 604 | 637 | **71** |
| Hays High Industrial Tech Association | - | 6,103 | 1,647 | 1,701 | **6,049** |
| Business Club | - | 414 | - | - | **414** |
| Foreign Language National Honor Society | - | 150 | 755 | 846 | **59** |
| SAFE Program | - | 312 | 2,000 | 2,148 | **164** |
| Red Cross Club | - | 40 | - | - | **40** |
| Quill and Scroll | - | 113 | 410 | 383 | **140** |
| Trap Club | - | 6,459 | 30,266 | 13,708 | **23,017** |
| HOSA | - | - | 200 | 200 | **-** |
| Model UN | - | 130 | - | - | **130** |
| GSA | - | 3 | 76 | - | **79** |
| **Total High School** | 59,612 | 9,273 | 158,634 | 152,762 | **74,757** |
| **Middle School** | | | | | |
| 6th Grade | 2,500 | - | - | 665 | **1,835** |
| 7th Grade | 2,501 | - | - | 210 | **2,291** |
| 8th Grade | 2,500 | - | - | 51 | **2,449** |
| Concessions | 5,973 | (5,973) | - | - | **-** |
| Cheerleader | 339 | (339) | - | - | **-** |
| STUCO | 2,558 | - | 2,418 | 3,670 | **1,306** |
| Tech Team | 1,372 | - | - | 1,372 | **-** |
| Leadership Team | 2,500 | - | 286 | 1,338 | **1,448** |
| Project ECHO Grant | - | - | 900 | 293 | **607** |
| **Total Middle School** | 20,243 | (6,312) | 3,604 | 7,599 | **9,936** |
| **Total** | $ 79,855 | 2,961 | 162,238 | 160,361 | **84,693** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**District Activity Funds**
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

| Funds | Beginning Unencumbered Cash Balance | Prior Period Adjustment | Prior Year Cancelled Encumbrances | Receipts | Expenditures | **Ending Unencumbered Cash Balance** | Add Encumbrances and Accounts Payable | **Ending Cash Balance** |
|---|---|---|---|---|---|---|---|---|
| **Gate Receipts** | | | | | | | | |
| **High School** | | | | | | | | |
| Athletics | $ 150,703 | - | - | 306,366 | 335,057 | **122,012** | 133 | **122,145** |
| Musical | 230 | - | - | 22,601 | 10,665 | **12,166** | - | **12,166** |
| **Total High School** | 150,933 | - | - | 328,967 | 345,722 | **134,178** | 133 | **134,311** |
| **Hays Middle School** | | | | | | | | |
| Athletics | 27,405 | - | - | 78,019 | 86,955 | **18,469** | - | **18,469** |
| **Total Gate Receipts** | 178,338 | - | - | 406,986 | 432,677 | **152,647** | 133 | **152,780** |
| **School Projects** | | | | | | | | |
| **High School** | | | | | | | | |
| Band | 3,032 | - | - | 7,103 | 7,892 | **2,243** | - | **2,243** |
| Chamber Singers | 6,791 | - | - | 73,813 | 80,604 | **-** | - | **-** |
| Publications/Journalism | 31,773 | - | - | 34,569 | 29,376 | **36,966** | - | **36,966** |
| HHS Vocal | 4,918 | - | - | 5,070 | 7,016 | **2,972** | - | **2,972** |
| Orchestra | 5,501 | - | - | 14,620 | 14,210 | **5,911** | - | **5,911** |
| Hays City Shootout | - | - | - | 21,703 | 19,641 | **2,062** | - | **2,062** |
| Drama | 3,542 | - | - | 3,086 | 2,469 | **4,159** | - | **4,159** |
| Dance Student ID Fee | 1,164 | - | - | 114 | - | **1,278** | - | **1,278** |
| Debate/Forensics | 1,350 | - | - | 952 | 1,081 | **1,221** | - | **1,221** |
| Hays High Industrial Tech Association | 6,103 | (6,103) | - | - | - | **-** | - | **-** |
| Welding Metals Tech | 1,331 | - | - | 1,751 | 2,385 | **697** | - | **697** |
| Video Tech | 3,975 | - | - | 119 | 336 | **3,758** | - | **3,758** |
| Special Woods | - | - | - | 12,000 | 11,359 | **641** | - | **641** |
| Project Management | 713 | - | - | 669 | 278 | **1,104** | - | **1,104** |
| Sales Tax | 61 | - | - | 19,926 | 19,883 | **104** | - | **104** |
| Athletic Equipment | 4,200 | - | - | 45,838 | 44,239 | **5,799** | - | **5,799** |
| Athletic Supplies | 356 | - | - | 35,000 | 632 | **34,724** | 5,008 | **39,732** |
| Athletic Officials | 334 | - | - | 43,370 | 42,938 | **766** | 7,000 | **7,766** |
| SO Project Utility | 855 | - | - | 525 | 1,243 | **137** | - | **137** |
| Business Club | 414 | (414) | - | - | - | **-** | - | **-** |
| Foreign Language National Honor Society | 150 | (150) | - | - | - | **-** | - | **-** |
| Scholars Bowl | 272 | - | - | 430 | 498 | **204** | - | **204** |
| Jag-K | 28 | - | - | 1,064 | 924 | **168** | - | **168** |
| SPED | 1,836 | - | - | - | 655 | **1,181** | - | **1,181** |
| Migrant | 500 | - | - | - | - | **500** | - | **500** |
| Science Lab Books | 1,221 | - | - | 321 | 558 | **984** | - | **984** |
| Newspaper | 8,477 | - | - | 2,656 | 1,278 | **9,855** | - | **9,855** |
| Art | $ 2,142 | - | - | 134 | - | **2,276** | - | **2,276** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**District Activity Funds**
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

| Funds | Beginning Unencumbered Cash Balance | Prior Period Adjustment | Prior Year Cancelled Encumbrances | Receipts | Expenditures | **Ending Unencumbered Cash Balance** | Add Encumbrances and Accounts Payable | **Ending Cash Balance** |
|---|---|---|---|---|---|---|---|---|
| **High School (continued)** | | | | | | | | |
| Library | $ 230 | - | - | 155 | - | **385** | - | **385** |
| School Improvements | 43,100 | - | - | 46,921 | 55,651 | **34,370** | - | **34,370** |
| Guidance Office | 912 | - | - | 2,076 | 1,728 | **1,260** | - | **1,260** |
| Transition Program | 546 | - | - | - | - | **546** | - | **546** |
| SAFE Program | 312 | (312) | - | - | - | **-** | - | **-** |
| Hays High School Pantry | 12,587 | - | - | 11,074 | 4,602 | **19,059** | - | **19,059** |
| Grants/Mini Grants | 1,175 | - | - | 1,650 | 981 | **1,844** | - | **1,844** |
| Enroll Activity Fee | 71 | - | - | 52,665 | 39,389 | **13,347** | - | **13,347** |
| Dillons Community Rewards | 9,019 | - | - | 7,015 | 944 | **15,090** | - | **15,090** |
| Concurrent Credit | 5,586 | - | 4,222 | 12,873 | 6,488 | **16,193** | - | **16,193** |
| Red Cross Club | 40 | (40) | - | - | - | **-** | - | **-** |
| Quill and Scroll | 113 | (113) | - | - | - | **-** | - | **-** |
| Trap Club | 6,459 | (6,459) | - | - | - | **-** | - | **-** |
| Model UN | 130 | (130) | - | - | - | **-** | - | **-** |
| GSA | 3 | (3) | - | - | - | **-** | - | **-** |
| Bowling | 4,939 | - | - | 2,080 | 6,721 | **298** | - | **298** |
| Bob Kuhn Classic | - | - | - | 10,321 | 3,467 | **6,854** | - | **6,854** |
| FOCA | - | - | - | 412 | 376 | **36** | - | **36** |
| Book Replacement | - | - | - | 95 | 74 | **21** | - | **21** |
| Concessions | - | 2,499 | - | 33,805 | 31,680 | **4,624** | - | **4,624** |
| Spanish | - | 273 | - | - | - | **273** | - | **273** |
| Leadership Team | - | 1,679 | - | - | - | **1,679** | - | **1,679** |
| **Total High School** | 176,261 | (9,273) | 4,222 | 505,975 | 441,596 | **235,589** | 12,008 | **247,597** |
| **Middle School** | | | | | | | | |
| Band | 48 | - | - | 2,730 | 2,616 | **162** | - | **162** |
| Vocal | 762 | - | - | 1,151 | 1,843 | **70** | - | **70** |
| Boys Choir | 893 | - | - | 150 | 580 | **463** | - | **463** |
| Orchestra | 202 | - | - | 3,658 | 3,744 | **116** | - | **116** |
| Yearbook | 4,586 | - | - | 8,716 | 6,471 | **6,831** | - | **6,831** |
| Quiz/Scholar Bowl | 666 | - | - | - | 436 | **230** | - | **230** |
| Teacher Classroom | 12,889 | - | - | 2,596 | 7,284 | **8,201** | - | **8,201** |
| Library | 2,762 | - | - | 2,782 | 2,690 | **2,854** | - | **2,854** |
| Grants | 279 | - | - | - | - | **279** | - | **279** |
| Special Project - Improvements | 18,524 | - | - | 72,019 | 62,968 | **27,575** | - | **27,575** |
| 8th Grade Promotion | 2,400 | - | - | - | 2,400 | **-** | - | **-** |
| Play | - | - | - | 782 | 782 | **-** | - | **-** |
| Concessions | - | 5,973 | - | 17,005 | 18,447 | **4,531** | - | **4,531** |
| Cheerleader | - | 339 | - | 105 | - | **444** | - | **444** |
| **Total Middle School** | $ 44,011 | 6,312 | - | 111,694 | 110,261 | **51,756** | - | **51,756** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
**District Activity Funds**
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

| Funds | Beginning Unencumbered Cash Balance | Prior Period Adjustment | Prior Year Cancelled Encumbrances | Receipts | Expenditures | **Ending Unencumbered Cash Balance** | Add Encumbrances and Accounts Payable | **Ending Cash Balance** |
|---|---|---|---|---|---|---|---|---|
| **(continued)** | | | | | | | | |
| **Wilson Grade School** | | | | | | | | |
| School Improvement | $ 2,362 | - | - | 5,585 | 4,613 | **3,334** | - | **3,334** |
| Teacher Classroom | 17,443 | - | - | 14,756 | 13,164 | **19,035** | - | **19,035** |
| Field Trips/Projects | 654 | - | - | 5,055 | 4,715 | **994** | - | **994** |
| Yearbook | 31 | - | - | - | - | **31** | - | **31** |
| Library | 866 | - | - | 1,061 | 1,198 | **729** | - | **729** |
| Boxtops/Campbell's Labels | 1,792 | - | - | 1,143 | 1,697 | **1,238** | - | **1,238** |
| **Total Wilson Grade School** | 23,148 | - | - | 27,600 | 25,387 | **25,361** | - | **25,361** |
| **Lincoln Grade School** | | | | | | | | |
| School Improvement | 16,573 | - | - | 944 | 3,798 | **13,719** | - | **13,719** |
| Yearbook | 5,355 | - | - | 7,620 | 5,984 | **6,991** | - | **6,991** |
| Pictures | 1,343 | - | - | 402 | - | **1,745** | - | **1,745** |
| Special Projects | 5,522 | - | - | 327 | 1,526 | **4,323** | - | **4,323** |
| Grants | 2,964 | - | - | 100 | 1,490 | **1,574** | - | **1,574** |
| **Total Lincoln Grade School** | 31,757 | - | - | 9,393 | 12,798 | **28,352** | - | **28,352** |
| **O'Loughlin Grade School** | | | | | | | | |
| Teacher Classroom | 6,193 | - | - | 10,884 | 8,609 | **8,468** | - | **8,468** |
| Ambassador | 1,415 | - | - | 1,489 | 1,960 | **944** | - | **944** |
| Boxtops/School Pictures | 727 | - | - | 930 | - | **1,657** | - | **1,657** |
| School Improvement | 2,234 | - | - | 5,431 | 1,505 | **6,160** | - | **6,160** |
| **Total O'Loughlin Grade School** | 10,569 | - | - | 18,734 | 12,074 | **17,229** | - | **17,229** |
| **Roosevelt Grade School** | | | | | | | | |
| Library | 1,507 | - | - | 1,047 | 1,723 | **831** | - | **831** |
| School Improvement | 2,215 | - | - | 1,480 | 600 | **3,095** | - | **3,095** |
| Teacher Classroom | 3,552 | - | - | 16,406 | 12,405 | **7,553** | 250 | **7,803** |
| Special Projects | 437 | - | - | 4,327 | 4,296 | **468** | - | **468** |
| **Total Roosevelt Grade School** | 7,711 | - | - | 23,260 | 19,024 | **11,947** | 250 | **12,197** |
| **Total School Projects** | 293,457 | (2,961) | 4,222 | 696,656 | 621,140 | **370,234** | 12,258 | **382,492** |
| **District Account** | | | | | | | | |
| Payroll Clearing Account | 2,213 | - | - | 428,055 | 429,915 | **353** | - | **353** |
| **Total District Activity Funds** | $ 474,008 | (2,961) | 4,222 | 1,531,697 | 1,483,732 | **523,234** | 12,391 | **535,625** |

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**

Single Audit Information

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

To the Board of Education
**Unified School District No. 489 Hays, Kansas**
Hays, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Unified School District No. 489 Hays, Kansas**, as of and for the year ended June 30, 2024, and the related notes to the financial statement, and have issued our report thereon dated January 20, 2025. The report on the audited financial statement was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Unified School District No. 489 Hays, Kansas'** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Unified School District No. 489 Hays, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 489 Hays, Kansas'** internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether **Unified School District No. 489 Hays, Kansas'** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Unified School District No. 489 Hays, Kansas' Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on **Unified School District No. 489 Hays, Kansas'** response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. **Unified School District No. 489 Hays, Kansas'** response was not subjected to the other auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on the response.

**Purpose of This Report**

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

Adams Brown, LLC

**ADAMSBROWN, LLC**
Certified Public Accountants
Hays, Kansas

January 20, 2025

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

To the Board of Education
**Unified School District No. 489 Hays, Kansas**
Hays, Kansas

### Report on Compliance for Each Major Federal Program

### Opinion on Each Major Federal Program

We have audited **Unified School District No. 489 Hays, 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. 489 Hays, Kansas**' major federal programs for the year ended June 30, 2024. **Unified School District No. 489 Hays, Kansas**' 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. 489 Hays, 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, 2024.

### Basis for Opinion on Each Major Federal Program

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

We are required to be independent of **Unified School District No. 489 Hays, Kansas** and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **Unified School District No. 489 Hays, Kansas'** compliance with the compliance requirements referred to above.

### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to **Unified School District No. 489 Hays, Kansas'** federal programs.

**Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **Unified School District No. 489 Hays, Kansas'** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Unified School District No. 489 Hays, Kansas'** compliance with the requirements of each major federal program as a whole.

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

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

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Unified School District No. 489 Hays, 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. 489 Hays, 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. 489 Hays, Kansas'** internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a

federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a significant deficiency.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on **Unified School District No. 489 Hays, Kansas'** response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. **Unified School District No. 489 Hays, Kansas'** response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



**ADAMSBROWN, LLC**
Certified Public Accountants
Hays, Kansas

January 20, 2025

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

| Federal Grantor/ Pass-through Grantor/ Program Title | Federal Assistance Number | Agency or Pass-through Number | Total Federal Expenditures |
|---|---|---|---|
| **U.S. Department of Agriculture** | | | |
| Passed through Kansas Department of Education | | | |
| Child and Adult Care Food Program (CACFP) | 10.558 | D0489 | $ 146,801 |
| Local Food for Schools Cooperative Agreement | 10.185 | D0489 | 17,842 |
| Child Nutrition Cluster | | | |
| Summer Food Service Program for Children | 10.559 | D0489 | 341,415 |
| National School Lunch Program | 10.555 | D0489 | 880,350 |
| School Breakfast Program | 10.553 | D0489 | 198,369 |
| **Total U.S. Department of Agriculture** | | | 1,584,777 |
| **U.S. Department of Homeland Security** | | | |
| Passed through Kansas Division of Emergency Management | | | |
| Hazard Mitigation Grant | 97.039 | N/A | 382,862 |
| **U.S. Department of Health and Human Services** | | | |
| Passed through Kansas Department of Education | | | |
| COVID-19 Funding | | | |
| Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 93.323 | D0489 | 43,978 |
| Direct Award | | | |
| Head Start Cluster | | | |
| Head Start | 93.600 | N/A | 2,231,071 |
| Passed Through Kansas Department of Children and Families | | | |
| Temporary Assistance for Needy Families | 93.558 | N/A | 326,319 |
| CCDF Cluster | | | |
| Child Care and Development Block Grant | 93.575 | N/A | 352,918 |
| **Total U.S. Department of Health and Human Services** | | | 2,954,286 |
| **U.S. Department of Education** | | | |
| Passed Through Kansas Department of Education | | | |
| English Language Acquisition State Grants | 84.365 | D0489 | 12,513 |
| Supporting Effective Instruction State Grants | 84.367 | D0489 | 64,624 |
| Student Support and Academic Enrichment Program | 84.424 | D0489 | 39,791 |
| Title I Grants to Local Educational Agencies | 84.010 | D0489 | 538,914 |
| Career and Technical Education - Basic Grants to States | 84.048 | D0489 | 32,534 |
| Migrant Education State Grant Program | 84.011 | D0489 | 45,000 |
| Special Education Cluster (IDEA) | | | |
| Special Education Grants to States | 84.027 | D0489 | 1,134,114 |
| Special Education Preschool Grants | 84.173 | D0489 | 28,412 |
| COVID-19 Funding | | | |
| Education Stabilization Fund | | | |
| American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth | 84.425W | D0489 | 6,751 |
| American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER) | 84.425U | D0489 | 538,053 |
| **Total U.S. Department of Education** | | | 2,440,706 |
| **Total Expenditures of Federal Awards** | | | **$ 7,362,631** |

Note: There were no awards made to subrecipients for the 2023-2024 Fiscal Year.

See accompanying notes to schedule of expenditures of federal awards.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

## NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Unified School District No. 489 Hays, Kansas** under programs of the federal government for the year ended June 30, 2024. 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), *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are presented in accordance with the regulatory basis of accounting. This is 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. Such expenditures are recognized following the cost principles contained in the Uniform Guidance cost principles, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

## NOTE 3 – INDIRECT COST RATE

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

## NOTE 4 – OTHER EXPENDITURES

The District received federal awards in the form of noncash assistance valued at $3,451 from the Kansas Department of Education for the year ended June 30, 2024.

**UNIFIED SCHOOL DISTRICT NO. 489 HAYS, KANSAS**
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

## SECTION I - SUMMARY OF AUDITORS' RESULTS

### FINANCIAL STATEMENTS

Type of auditors' report issued on whether the financial statements were prepared in accordance with a special purpose framework that is not in compliance with GAAP. Unmodified

Internal control over financial reporting:

- Material weakness identified? X Yes ____ No
- Significant deficiency identified? X Yes ____ None reported
- Noncompliance material to financial statements noted? ____ Yes X No

### FEDERAL AWARDS

Internal control over major programs:

- Material weakness identified? ____ Yes X No
- Significant deficiency identified? X Yes ____ None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) of the Uniform Guidance? X Yes ____ No

Identification of major programs:

| Assistance Listing Number | Name of Federal Program |
|---|---|
| | Head Start Cluster |
| 93.600 | Head Start |
| | Special Education Cluster (IDEA) |
| 84.027 | Special Education Grants to States |
| 84.173 | Special Education Preschool Grants |

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? ____ Yes X No

## SECTION II – FINANCIAL STATEMENT FINDINGS

### MATERIAL WEAKNESS

**2024-001**

Criteria or specific requirement
Internal controls should be in place to ensure that all encumbrances are recorded on the District's books.

Condition
Material encumbrances were not recorded on the books at year-end.

Context
We determined, through a search for unrecorded liabilities, that there was a failure to properly record all encumbrances.

Cause
Encumbrances related to the capital project were not identified and recorded in the accounting system upon approval.

Effect
Management may not be aware of accurate expenditures for the year.

Recommendation
Procedures should be established and implemented where the District employees review Board approvals and contracts to ensure they are accurately recorded as encumbrances at year-end.

Views of responsible officials
See Corrective Action Plan.

### SIGNIFICANT DEFICIENCY

**2024-002**

Criteria or specific requirement
Internal controls should be in place to ensure that all substitute transactions are properly allocated amongst relevant cost centers.

Condition
Substitute transactions were not being properly allocated according to the percentages that the District had applied to them.

Context
We determined, through testing of 33 substitute transactions, that 30 of those transactions were not properly allocated.

Cause
A programming error within the District's accounting software caused substitute transactions being allocated amongst cost centers to not follow the correct percentages.

Effect
Expenditures may not be recorded within the proper cost centers.

Recommendation
We recommend that the accounting software vendor be approached regarding finding a fix for the allocations. In addition, we recommend that the District implement a control to ensure that this does not continue in the future.

Views of responsible officials
See Corrective Action Plan.

## SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### SIGNIFICANT DEFICIENCY

**2024-003**

Federal Award
Special Education (IDEA) Cluster – 84.027 and 84.173

Compliance Requirement
Maintenance of Effort

Criteria or specific requirement
Internal controls should be in place to ensure that accurate amounts are reported to the State Department of Education for the Maintenance of Effort calculation.

Condition
Certain expenditure amounts reported to the State Department of Education for the Maintenance of Effort calculation were not accurate or could not be corroborated.

Context
We determined, through testing of the Maintenance of Effort submission, that five amounts reported had an immaterial variance when compared to the supporting documentation.

Cause
Supporting documentation was not saved at the time of preparation of the report, and some relevant accounts were missed when summing the expenditures that needed to be reported.

Effect
The State Department of Education was provided inaccurate amounts for use in its Maintenance of Effort calculation.

Recommendation
Procedures should be established and implemented to ensure that all supporting documentation used in the preparation of the Maintenance of Effort submission be saved and that all expenditures reported are accurate.

Views of responsible officials
See Corrective Action Plan.

## SECTION II – FINANCIAL STATEMENT FINDINGS

### MATERIAL WEAKNESS

**2023-001**

Condition
Material encumbrances were not recorded on the books at year-end.

Recommendation
Procedures should be established and implemented where the District employees review Board approvals to ensure they are accurately recorded as encumbrances at year-end.

Corrective Actions
As of January 1, 2023, the District implemented a review of the encumbrance process to ensure that all necessary items are recorded. In addition, beginning with fiscal year 2024, all capital projects over $1,000,000 undergo an additional review at year end to ensure that all relevant amounts have been encumbered.

Current Status
This is an ongoing issue and listed as financial statement finding 2024-001 in the current year.

## SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs for the year ended June 30, 2023 are required to be disclosed under the Uniform Guidance.