UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2024

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2024

TABLE OF CONTENTS

	Page Number
FINANCIAL SECTION	
Independent Auditor's Report	1
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	5
Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	7
Notes to the Financial Statements	9
REGULATORY–REQUIRED SUPPLEMENTARY INFORMATION	
Schedule 1	
Summary of Expenditures – Actual and Budget – Regulatory Basis	22
Schedules of Receipts and Expenditures – Actual and Budget – Regulatory Basis	
Schedule 2-1: General Fund	24
Schedule 2-2: Supplemental General Fund	25
Schedule 2-3: At Risk (4 Year Old) Fund	26
Schedule 2-4: At Risk (K-12) Fund	27
Schedule 2-5: Bilingual Education Fund	28
Schedule 2-6: Virtual Education Fund	29
Schedule 2-7: Capital Outlay Fund	30
Schedule 2-8: Driver Training Fund	31
Schedule 2-9: Extraordinary School Program Fund	32
Schedule 2-10: Food Service Fund	33
Schedule 2-11: Professional Development Fund	34
Schedule 2-12: Special Education Fund	35
Schedule 2-13: Career and Postsecondary Education Fund	36
Schedule 2-14: KPERS Retirement Contribution Fund	37
Schedule 2-15: Recreation Commission Fund	38
Schedule 2-16: Gifts and Grants Fund	39

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2024

TABLE OF CONTENTS
(Continued)

	Page Number
REGULATORY–REQUIRED SUPPLEMENTARY INFORMATION (Continued)	
Schedules of Receipts and Expenditures – Regulatory Basis	
Schedule 2-17: Contingency Reserve Fund	41
Schedule 2-18: Rural Ed Fund	42
Schedule 2-19: Title I Low Income Fund	43
Schedule 2-20: Title I Migrant Fund	44
Schedule 2-21: Title II Improving Teacher Quality Fund	45
Schedule 2-22: Title IVA Student Support Fund	46
Schedule 2-23: Esser Grant Fund	47
Schedule 3	
Agency Funds – Summary of Receipts and Disbursements – Regulatory Basis	49
Schedule 4	
District Activity Funds – Schedule of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	52
SUPPLEMENTARY INFORMATION	
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	54
Schedule 5	
Schedule of Expenditures of Federal Awards	57
Notes to Schedule of Expenditures of Federal Awards	58
Schedule 6	
Schedule of Findings and Questioned Costs	59

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

FINANCIAL SECTION

HAY·RICE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
CHARTERED

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 218
Elkhart, Kansas 67950

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. 218, as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 218 as of June 30, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 218 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 standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Unified School District No. 218, 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.

21 PLAZA DRIVE P.O. BOX 2707 LIBERAL, KS 67905-2707 (620) 624-8471 FAX (620) 624-9260 HRA@hayrice.com
Members of the American Institute and of the Kansas Society of Certified Public Accountants
Member of Private Practice Section

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 Unified School District No. 218 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds, 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.* The schedule of expenditures of federal awards (Schedule 5 as listed in the table of contents), as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 218 as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated September 19, 2023, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2024 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement 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 October 8, 2024, on our consideration of Unified School District No. 218'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 Unified School District No. 218's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District No. 218's internal control over financial reporting and compliance.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

October 8, 2024

HAY·RICE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
CHARTERED

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

To the Board of Education
Unified School District No. 218
Elkhart, Kansas 67950

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. 218, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statement, which comprise Unified School District No. 218's basic financial statement, and have issued our report thereon dated October 8, 2024, which was qualified because Unified School District No. 218 prepares its financial statements to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

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

21 PLAZA DRIVE P.O. BOX 2707 LIBERAL, KS 67905-2707 (620) 624-8471 FAX (620) 624-9260 HRA@hayrice.com
Members of the American Institute and of the Kansas Society of Certified Public Accountants
Member of Private Practice Section

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 218's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

October 8, 2024

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Statement 1

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For the fiscal year ended June 30, 2024

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances & Accounts Payable	Ending Cash Balance
General Funds:						
General	$ -	$10,199,987	$10,199,987	$ -	-	$ -
Supplemental General	37,268	1,357,545	1,383,004	11,809	-	11,809
Special Purpose Funds:						
At Risk (4 Year Old)	-	77,536	77,536	-	-	-
At Risk (K-12)	-	745,721	666,461	79,260	-	79,260
Bilingual Education	-	69,514	69,514	-	-	-
Virtual Education	-	6,004,040	6,004,040	-	-	-
Capital Outlay	1,434,804	1,445,954	476,754	2,404,004	-	2,404,004
Driver Training	24,899	8,216	5,362	27,753	-	27,753
Extraordinary School Program	31,519	810	-	32,329	-	32,329
Food Service	100,685	292,578	315,045	78,218	-	78,218
Professional Development	-	50	50	-	-	-
Special Education	250,000	466,575	442,956	273,619	-	273,619
Career and Postsecondary Education	-	86,000	59,530	26,470	-	26,470
KPERS Retirement Contribution	-	454,289	454,289	-	-	-
Recreation Commission	9,321	186,867	141,000	55,188	-	55,188
Gifts and Grants	24,550	17,288	21,921	19,917	-	19,917
Contingency Reserve	600,000	-	-	600,000	-	600,000
Rural Ed	-	33,911	33,911	-	-	-
Title I Low Income	-	373,131	373,131	-	-	-
Title I Migrant	-	44,347	44,347	-	-	-
Title II Improving Teacher Quality	-	13,762	13,762	-	-	-
Title IVA Student Support	-	29,899	29,899	-	-	-
ESSER Grant	(65,533)	319,464	308,914	(54,983)	-	(54,983)
District Activities	74,740	62,108	46,580	90,268	-	90,268
Total Reporting Entity (Excluding Agency Funds)	$2,522,253	$22,289,592	$21,167,993	$3,643,852	-	$3,643,852

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

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Statement 1
(Continued)

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH – REGULATORY BASIS
For the fiscal year ended June 30, 2024

Composition of Cash:	
Cash in Checking:	
Board account	$3,553,584
Activity Funds:	
Elementary School	3,795
Middle School	12,113
High School	190,921
Total Cash	$3,760,413
Agency Funds per Schedule 3	(116,561)
Total Reporting Entity (Excluding Agency Funds)	$3,643,852

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

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2024

Note 1: Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 218 is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents only Unified School District No. 218 (the municipality). The following related municipal entity is not included in the Unified School District No. 218's reporting entity:

Recreation Commission

Unified School District No. 218 Recreation Commission oversees recreational activities. The Recreation Commission operates as a separate governing body but Unified School District No. 218 levies the taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property but can acquire real property by gift.

Fund Descriptions

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Regulatory Basis Fund Types

The following regulatory basis fund types comprise the financial activities of the School District for the fiscal year ended June 30, 2024:

Governmental Funds:

General Fund – The Chief Operating Fund – used to account for all resources except those required to be accounted for in another fund.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental Funds (Continued):

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.

Fiduciary Funds:

Agency Funds – funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

Reimbursed Expenses

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

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.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Accounting (Continued)

The municipality 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 municipality to use the regulatory basis of accounting.

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. General capital assets that account for the land, buildings and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, revenue bonds, finance leases, temporary notes and compensated absences are not presented in the financial statements.

Other Accounting Policies

Cash and Time Deposits

These liquid assets are shown in aggregate. K.S.A. 12-1671 and 12-1672 allow these assets to be shown in aggregate.

Time deposits are carried at cost plus accrued interest. The carrying amount of deposits is separately displayed as "cash and time deposits".

General Fixed Assets

General fixed assets purchased are recorded as expenditures at the time of purchase, except for assets acquired with federally assisted funds. Assets of the School District are not recorded in a permanent set of records.

Note 1: Summary of Significant Accounting Policies (Continued)

Vouchers Payable

Vouchers payable are classified on the basis of a claim for payment resulting from legal title to property.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds.

In addition, encumbrances do constitute expenditures of a fund.

Unencumbered Cash Balances

The unencumbered cash balance is the unobligated resources of cash and time deposits of a fund.

Bonds Payable

Bonds which are outstanding at the end of the fiscal year.

Budgetary Information

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

1. Preparation of the budget for the succeeding fiscal year ending June 30 on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. Unified School District No. 218 did not hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this fiscal year.

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

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

A legal operating budget is not required for capital project funds, trust funds, and certain special purpose funds.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Tax Cycle

The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payments.

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 18% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the School District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

Note 2: Stewardship, Compliance and Accountability

Compliance with Kansas Statutes

No statutory violations were noted during the audit.

Authorized Over-Encumbered Cash Balance – Federal Funds

K.S.A. 12-1664 authorizes the financing from local sources for expenditures to be reimbursed by the federal government.

Note 3: Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by Unified School District No. 218. The statute requires banks eligible to hold the School District's funds have a main or branch bank in the county in which Unified School District No. 218 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. Unified School District No. 218 has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits Unified School District No. 218'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. Unified School District No. 218 has no investment policy that would further limit its investment choices.

Concentration of Credit Risk – State statutes place no limit on the amount Unified School District No. 218 may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, Unified School District No. 218's deposits may not be returned to it. State statutes require Unified School District No. 218's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2024.

At June 30, 2024, Unified School District No. 218's carrying amount of deposits was $3,760,414 and the bank balance was $4,974,577. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $876,251 was covered by federal depository insurance and $4,098,326 was collateralized with securities held by the pledging financial institutions' agents in Unified School District No. 218'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, Unified School District No. 218 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

Operating transfers were as follows:

From	To	Authority	Regulatory Amount
General Fund	Bilingual Education	KSA 72-6428	$ 41,444
	Virtual Education	KSA 72-6428	6,004,040
	Special Education	KSA 72-6428	314,497
	Career and Postsecondary Education	KSA 72-6428	86,000
	Capital Outlay	KSA 72-6428	406,283
	Food Service	KSA 72-6428	49,000
	At Risk K-12	KSA 72-6428	566,803
			$7,468,067
Supplemental General	At-Risk (4 Yr Old)	KSA 72-6433	$ 77,536
	At-Risk (K-12)	KSA 72-6433	178,918
	Special Education	KSA 72-6433	143,562
	Bilingual Education	KSA 72-6433	28,070
			$ 428,086
	Total		$7,896,153

Note 5: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

Unified School District No. 218 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 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Note 5: Defined Benefit Pension Plan (Continued)

Contributions

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

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

The 2015 Legislature passed and the Governor approved Senate Bill 228 authorizing the issuance of $1.0 billion in pension obligation bonds to fund a portion of the School-Group's unfunded actuarial liability. The bonds were successfully issued in August 2015 and the proceeds transferred to the System.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue pension obligation bonds, series 2021K, net proceeds of $500 million to fund a portion of the School-Group's unfunded actuarial liability. The bond proceeds were received by KPERS on August 26, 2021.

Note 5: Defined Benefit Pension Plan (Continued)

Contributions (Continued)

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 School District is responsible for the employer's portion of the cost for retired District employees. The School District received and remitted amounts equal to the statutory contribution rate, which totaled $455,289 for the year ended June 30, 2024.

The State of Kansas contributed 12.57% of covered payroll during fiscal year 2024, excluding the Group Death & Disability Insurance rate. During fiscal year 2025, the State of Kansas will contribute 11.54% of covered payroll. The State of Kansas contribution to KPERS due for all school municipalities for the year ending June 30, 2024, was $598,481,774.

Net Pension Liability

At June 30, 2024, the School District's proportionate share of the collective net pension liability reported by KPERS was $4,426,600. 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 School District's proportion of the net pension liability was based on the ratio of the School 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.

Note 5: Defined Benefit Pension Plan (Continued)

Net Pension Liability (Continued)

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 6: Other Long-Term Obligations from Operations

Compensated Absences

Vacation and Sick Pay

Staff may accumulate up to sixty days of sick leave, ten days of vacation and three days of personal leave. There is no compensation for unused vacation or personal days above the accrued amount. Employees are paid $25 per day (certified employee) or $15 (classified employee) for unused sick days above the accrual amount. There is no compensation for any unused days upon end of employment. The School District does not accrue compensated absences. These costs are expensed as paid.

Other Post Employment Benefits

As provided by K.S.A. 12-5040, Unified School District No. 218 allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, Unified School District No. 218 is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), Unified School District No. 218 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.

Note 6: Other Long-Term Obligations from Operations (Continued)

Death and Disability Other Post Employment Benefits

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

Note 7: Contingent Liabilities

Unified School District No. 218 participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives for audits of these programs for or including the year ending June 30, 2024. These compliance audits have not been conducted as of October 8, 2024. Accordingly, the School District's compliance with applicable grant agreements will be established at some future date. The amount of expenditures, which may be disallowed by the grantor agencies, cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial.

Note 8: Subsequent Events

Unified School District No. 218's management has evaluated events and transactions through October 8, 2024, the date which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

REGULATORY–REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 1

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
For the fiscal 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)
General Funds:						
General	$11,373,376	$ (1,364,406)	$191,017	$10,199,987	$10,199,987	$ -
Supplemental General	1,356,033	-	26,971	1,383,004	1,383,004	-
Special Purpose Funds:						
At Risk (4 Year Old)	77,536	-	-	77,536	77,536	-
At Risk (K-12)	666,461	-	-	666,461	666,461	-
Bilingual Education	142,464	-	-	142,464	69,514	(72,950)
Virtual Education	6,331,280	-	-	6,331,280	6,004,040	(327,240)
Capital Outlay	1,163,350	-	-	1,163,350	476,754	(686,596)
Driver Training	5,362	-	-	5,362	5,362	-
Food Service	343,878	-	-	343,878	315,045	(28,833)
Professional Development	525	-	-	525	50	(475)
Special Education	460,287	-	-	460,287	442,956	(17,331)
Career and Postsecondary Education	59,530	-	-	59,530	59,530	-
KPERS Retirement Contribution	507,299	-	-	507,299	454,289	(53,010)
Recreation Commission	141,000	-	-	141,000	141,000	-
Gifts & Grants	48,406	-	-	48,406	21,921	(26,485)

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2

SCHEDULES OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-1

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
Receipts	Actual	Budget	Variance Over (Under)	Prior Year Actual
Taxes and Shared Receipts:				
Mineral production tax	$ 16,760	$ 44,944	$ (28,184)	$ 50,379
General State Aid	9,734,151	11,042,939	(1,308,788)	9,654,369
Special Education Aid	258,059	285,493	(27,434)	243,381
Reimbursed expenditures	191,017	-	191,017	217,573
Total Receipts	$10,199,987	$11,373,376	$ (1,173,389)	$10,165,702
Expenditures				
Instruction	$ 1,136,456	$ 1,824,966	$ (688,510)	$ 1,719,428
Student support services	33,201	77,584	(44,383)	58,131
General Administration	215,754	652,210	(436,456)	230,052
School Administration	389,784	426,305	(36,521)	409,921
Central Services	138,097	171,915	(33,818)	155,662
Operations and maintenance	703,075	576,325	126,750	520,883
Student transportation services	115,553	74,500	41,053	107,039
Operating transfers	7,468,067	7,569,571	(101,504)	6,964,586
Adjustment to comply with legal max	-	(1,364,406)	1,364,406	-
Adjustment for qualifying budget credits	-	191,017	(191,017)	-
Total Expenditures	$10,199,987	$10,199,987	-	$10,165,702
Receipts Over (Under) Expenditures	-			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	-			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-2

SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
Receipts	Actual	Budget	Variance Over (Under)	Prior Year Actual
Taxes and Shared Receipts:				
Ad valorem property tax	$ 148,368	$ -	$ 148,368	$ 190,290
Delinquent tax	3,745	962	2,783	4,378
Motor vehicle tax	11,248	9,942	1,306	16,332
Recreational vehicle tax	142	125	17	222
Commercial vehicle tax	205	153	52	188
Supplemental State aid	1,166,866	1,166,841	25	1,100,585
Reimbursed expenditures	26,971	-	26,971	26,168
Total Receipts	$1,357,545	$1,178,023	$ 179,522	$1,338,163
Expenditures				
Instruction	$ 159,053	$ 229,795	$ (70,742)	$ 91,832
Student support services	10,569	2,161	8,408	2,088
Instructional support staff	90,022	-	90,022	62,673
General Administration	92,811	70,000	22,811	72,637
School Administration	19,597	30,823	(11,226)	22,494
Operations and maintenance	555,970	409,260	146,710	359,255
Student transportation	26,832	-	26,832	30,629
Other support services	64	163,820	(163,756)	25,072
Operating transfers	428,086	450,174	(22,088)	667,373
Adjustment to comply with legal max	-	-	-	-
Adjustment for qualifying budget credits	-	26,971	(26,971)	-
Total Expenditures	$1,383,004	$1,383,004	-	$1,334,053
Receipts Over (Under) Expenditures	$ (25,459)			$ 4,110
Unencumbered Cash, Beginning	37,268			33,158
Unencumbered Cash, Ending	$ 11,809			$ 37,268

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-3

AT RISK (4 YEAR OLD) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$ 77,536	$ 77,536	-	$ 77,536
Expenditures				
Instruction	77,536	$ 77,536	-	77,536
Receipts Over (Under) Expenditures	-			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	-			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-4

AT RISK (K-12) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$745,721	$666,460	$ 79,261	$499,089
Expenditures				
Instruction	666,461	$666,461	-	499,089
Receipts Over (Under) Expenditures	$ 79,260			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	$ 79,260			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-5

BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$ 69,514	$144,902	$ (75,388)	$ 92,259
Expenditures				
Instruction	69,514	$142,464	$ (72,950)	92,259
Receipts Over (Under) Expenditures	-			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	-			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-6

VIRTUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$6,004,040	$6,430,470	$ (426,430)	$6,167,280
Expenditures				
Instruction	6,004,040	$6,331,280	$ (327,240)	6,167,280
Receipts Over (Under) Expenditures	-			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	-			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-7

CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Taxes and Shared Receipts:				
Ad valorem property tax	$ 178,839	$ 169,360	$ 9,479	$ 179,537
Delinquent tax	2,423	910	1,513	2,284
Motor vehicle tax	8,113	7,506	607	8,292
Recreational vehicle tax	466	94	372	394
Commercial vehicle tax	194	116	78	123
Interest income	59,460	50,000	9,460	35,597
Miscellaneous	615,352	16,000	599,352	14,854
Capital outlay state aid	174,824	174,824	-	174,727
Operating transfers	406,283	218,136	188,147	218,136
Total Receipts	$1,445,954	$ 636,946	$ 809,008	$ 633,944
Expenditures				
Instruction	$ 32,466	$ 8,000	$ 24,466	$ 1,500
Operations and maintenance	90,712	255,000	(164,288)	56,893
Other support services	17,992	-	17,992	569
Facility acquisition	-	900,350	(900,350)	-
Land and building improvement	327,623	-	327,623	265,115
Debt service	7,961	-	7,961	2,641
Total Expenditures	$ 476,754	$1,163,350	$ (686,596)	$ 326,718
Receipts Over (Under) Expenditures	$ 969,200			$ 307,226
Unencumbered Cash, Beginning	1,434,804			1,127,578
Unencumbered Cash, Ending	$2,404,004			$1,434,804

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-8

DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
State aid	$ 4,205	$ 4,725	$ (520)	$ 3,500
Miscellaneous	4,011	3,399	612	2,987
Total Receipts	$ 8,216	$ 8,124	$ 92	$ 6,487
Expenditures				
Instruction	$ 4,974	$ 5,362	$ (388)	$ 4,889
Vehicle operations and maintenance	388	-	388	818
Total Expenditures	$ 5,362	$ 5,362	-	$ 5,707
Receipts Over (Under) Expenditures	$ 2,854			$ 780
Unencumbered Cash, Beginning	24,899			24,119
Unencumbered Cash, Ending	$ 27,753			$ 24,899

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-9

EXTRAORDINARY SCHOOL PROGRAM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Miscellaneous	$ 810	-	$ 810	$ 1,400
Expenditures				
Instruction	-	-	-	52
Receipts Over (Under) Expenditures	$ 810			$ 1,348
Unencumbered Cash, Beginning	31,519			30,171
Unencumbered Cash, Ending	$ 32,329			$ 31,519

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-10

FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Charges for services	$ 35,879	$ 45,583	$ (9,704)	$ 44,951
Federal aid	204,652	237,240	(32,588)	247,401
State aid	1,814	1,387	427	1,791
Grants	1,233	-	1,233	2,700
Operating transfers	49,000	23,000	26,000	45,000
Total Receipts	$292,578	$307,210	$ (14,632)	$341,843
Expenditures				
Operations and maintenance	$ 10,743	$ -	$ 10,743	$ 4,856
Food service operation	304,302	343,878	(39,576)	299,695
Total Expenditures	$315,045	$343,878	$ (28,833)	$304,551
Receipts Over (Under) Expenditures	$ (22,467)			$ 37,292
Unencumbered Cash, Beginning	100,685			63,393
Unencumbered Cash, Ending	$ 78,218			$100,685

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-11

PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
State aid	$ 50	$ 525	$ (475)	$ 320
Expenditures				
Instruction	$ 50	$ -	$ 50	$ 1,658
Support services	-	525	(525)	-
Total Expenditures	$ 50	$ 525	$ (475)	$ 1,658
Receipts Over (Under) Expenditures	-			$ (1,338)
Unencumbered Cash, Beginning	-			1,338
Unencumbered Cash, Ending	-			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-12

SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Federal aid	$ -	$291,791	$ (291,791)	$ 6,641
Other revenue	8,516	5,000	3,516	4,579
Operating transfers	458,059	398,241	59,818	472,084
Total Receipts	$466,575	$695,032	$ (228,457)	$483,304
Expenditures				
Instruction	$442,233	$459,623	$ (17,390)	$419,783
Vehicle operating services	723	664	59	665
Total Expenditures	$442,956	$460,287	$ (17,331)	$420,448
Receipts Over (Under) Expenditures	$ 23,619			$ 62,856
Unencumbered Cash, Beginning	250,000			187,144
Unencumbered Cash, Ending	$273,619			$250,000

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-13

CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Miscellaneous	$ -	$ 59,530	$ (59,530)	$ -
Operating transfers	86,000	61,000	25,000	60,575
Total Receipts	$ 86,000	$120,530	$ (34,530)	$ 60,575
Expenditures				
Instruction	59,530	$ 59,530	-	60,575
Receipts Over (Under) Expenditures	$ 26,470			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	$ 26,470			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-14

KPERS RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
State aid	$454,289	$507,299	$ (53,010)	$478,584
Expenditures				
Employees' Benefits	454,289	$507,299	$ (53,010)	478,584
Receipts Over (Under) Expenditures	-			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	-			-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-15

RECREATION COMMISSION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Taxes and Shared Receipts:				
Ad valorem property tax	$178,451	$169,373	$ 9,078	$135,594
Delinquent taxes	1,819	688	1,131	1,699
Motor vehicle tax	6,100	5,643	457	6,219
RV tax	350	71	279	296
Commercial vehicle tax	147	88	59	92
Total Receipts	$186,867	$175,863	$ 11,004	$143,900
Expenditures				
Appropriation	141,000	$141,000	-	137,479
Receipts Over (Under) Expenditures	$ 45,867			$ 6,421
Unencumbered Cash, Beginning	9,321			2,900
Unencumbered Cash, Ending	$ 55,188			$ 9,321

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-16

GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Federal aid	$ -	$ -	$ -	$ 26,191
Grants	11,350	20,856	(9,506)	-
Contributions/donations	5,938	3,000	2,938	420
Total Receipts	$ 17,288	$ 23,856	$ (6,568)	$ 26,611
Expenditures				
Instruction	$ 19	$ 20,856	$ (20,837)	$ 30
Support services	4,508	27,550	(23,042)	26,530
Food service operations	17,394	-	17,394	-
Total Expenditures	$ 21,921	$ 48,406	$ (26,485)	$ 26,560
Receipts Over (Under) Expenditures	$ (4,633)			$ 51
Unencumbered Cash, Beginning	24,550			24,499
Unencumbered Cash, Ending	$ 19,917			$ 24,550

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2
(Continued)

SCHEDULES OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-17

CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	6-30-24	6-30-23
Receipts	-	-
Expenditures	-	-
Receipts Over (Under) Expenditures	$ -	$ -
Unencumbered Cash, Beginning	600,000	600,000
Unencumbered Cash, Ending	$600,000	$600,000

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-18

RURAL ED FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	6-30-24	6-30-23
Receipts		
Federal aid	$ 33,911	$ 36,337
Expenditures		
Instruction	33,911	36,337
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-19

TITLE I LOW INCOME FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	6-30-24	6-30-23
Receipts		
Federal aid	$373,131	$376,326
Expenditures		
Instruction	$367,147	$369,995
General Administration	5,984	6,331
Total Expenditures	$373,131	$376,326
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-20

TITLE I MIGRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	6-30-24	6-30-23
Receipts		
Federal aid	$ 44,347	$ 49,275
Expenditures		
Instruction	$ 36,606	$ 41,540
Instructional support staff	7,741	7,735
Total Expenditures	$ 44,347	$ 49,275
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-21

TITLE II IMPROVING TEACHER QUALITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	6-30-24	6-30-23
Receipts		
Federal aid	$ 13,762	$ 12,495
Expenditures		
Instruction	13,762	12,495
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-22

TITLE IVA STUDENT SUPPORT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	6-30-24	6-30-23
Receipts		
Federal aid	$ 29,899	$ 13,553
Expenditures		
Instruction	29,899	13,553
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 2-23

ESSER GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2024
(with comparative actual totals for the prior year ended June 30, 2023)

	6-30-24	6-30-23
Receipts		
Federal aid	$319,464	$316,622
Expenditures		
Instruction	$242,558	$128,790
Support services	66,356	242,152
Total Expenditures	$308,914	$370,942
Receipts Over (Under) Expenditures	$ 10,550	$ (54,320)
Unencumbered Cash, Beginning	(65,533)	(11,213)
Unencumbered Cash, Ending	$ (54,983)	$ (65,533)

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 3

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the fiscal year ended June 30, 2024

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 3

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the fiscal year ended June 30, 2024

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School:				
Student Council	$ 7,345	$ 10,160	$ 8,852	$ 8,653
Cheerleaders	759	13,947	13,886	820
National Honor Society	529	-	418	111
Softball	5,175	-	-	5,175
Girls Basketball	276	-	121	155
Boys Basketball	1,036	-	245	791
Student Council Pink	13,321	5,234	5,783	12,772
Track	784	2,360	1,925	1,219
Cross Country	3,928	140	-	4,068
Volleyball	2,068	670	1,397	1,341
Golf	3,024	3,042	960	5,106
Baseball	1,146	6,049	5,266	1,929
Resist Chapter	-	300	-	300
Class of 2022	942	50	-	992
Class of 2023	2,056	-	783	1,273
Class of 2024	3,274	-	2,097	1,177
Class of 2025	3,232	21,072	17,070	7,234
Class of 2026	-	3,970	1,300	2,670
Class of 2027	-	4,830	450	4,380
Science Human A & P	49	-	-	49
Senior Gifts	20,237	-	-	20,237
E Club	5,338	1,266	1,263	5,341
Band	8,673	1,094	4,595	5,172
Curtain Callers	13,616	6,878	8,167	12,327
Scholars Bowl	1,226	511	500	1,237
Lunch	-	5,430	5,430	-
Sales tax	-	2,098	2,098	-
Sub-total High School	$ 98,034	$ 89,101	$ 82,606	$104,529

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 3
(Continued)

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the fiscal year ended June 30, 2024

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Middle School:				
Student Council	$ 4,299	$ 18,679	$ 16,953	$ 6,025
Cheerleaders	381	6,958	7,287	52
Volleyball	267	879	879	267
Basketball	-	1,064	1,044	20
Track	-	375	228	147
FACS	17	-	-	17
Builders Club	125	39	-	164
Concession stand	709	-	-	709
SPED	320	142	-	462
Activities	1,337	-	-	1,337
YEC	271	-	-	271
Lunch	-	12,923	12,923	-
Sales tax	-	2,076	2,076	-
Sub-total Middle School	$ 7,726	$ 43,135	$ 41,390	$ 9,471
Elementary School:				
Book Club	$ -	$ -	$ -	$ -
School Supplies	-	-	-	-
G S Teachers	320	142	(566)	1,028
Memorial Fund	73	-	-	73
Community Service	183	-	-	183
Student Fundraising	1,151	-	-	1,151
Children's Theater	-	-	-	-
Guided Reading	102	-	-	102
Music	24	-	-	24
Lunch	-	17,526	17,526	-
Sub-total Elementary School	$ 1,853	$ 17,668	$ 16,960	$ 2,561
Total Agency Funds	$107,613	$149,904	$140,956	$116,561

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 4

DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND
UNENCUMBERED CASH – REGULATORY BASIS
For the fiscal year ended June 30, 2024

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 4

DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH – REGULATORY BASIS
For the fiscal year ended June 30, 2024

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance
Gate Receipts:				
Athletics – High School	$ 22,904	$ 28,939	$ 16,827	$ 35,016
School Projects:				
High School:				
General Club	$ 1,090	$ 628	$ 1,205	$ 513
English	1,260	-	-	1,260
FFA	16,029	14,317	12,827	17,519
Shop	295	35	108	222
Home Economics Club	1,401	2,652	1,494	2,559
Art	6,044	2,040	270	7,814
Music	2,116	260	-	2,376
Key Club	2,258	360	297	2,321
Yearbook	11,693	7,188	7,347	11,534
Library	175	-	-	175
PRA Activity	1,469	-	-	1,469
MAD	287	-	-	287
Banner Expense	2,221	3,649	3,796	2,074
Special Education	1,111	426	284	1,253
Middle School:				
General Fund	2,451	104	50	2,505
Library	137	-	-	137
Elementary School:				
General Fund	1,799	1,510	2,075	1,234
Subtotal School Projects	$ 51,836	$ 33,169	$ 29,753	$ 55,252
Total District Activity Funds	$ 74,740	$ 62,108	$ 46,580	$ 90,268

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

SUPPLEMENTARY INFORMATION

HAY·RICE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
CHARTERED

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

To the Board of Education
Unified School District No. 218
Elkhart, Kansas 67950

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 218's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Unified School District No. 218's major federal programs for the fiscal year ended June 30, 2024. Unified School District No. 218's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Unified School District No. 218 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 fiscal year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with the *Kansas Municipal Audit and Accounting Guide*; 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Unified School District No. 218 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. 218's compliance with the compliance requirements referred to above.

21 PLAZA DRIVE P.O. BOX 2707 LIBERAL, KS 67905-2707 (620) 624-8471 FAX (620) 624-9260 HRA@hayrice.com
Members of the American Institute and of the Kansas Society of Certified Public Accountants
Member of Private Practice Section

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. 218's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Unified School District No. 218's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Unified School District No. 218's 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. 218's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Unified School District No. 218's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 218's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

October 8, 2024

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 5

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2024

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Expenditures
U. S. Department of Education – Pass Through Kansas Department of Education:		
Title I Low Income	84.010	$ 373,131
Title I Migrant	84.011	44,347
Supporting Effective Instruction	84.367	13,762
ESSA Student Support Academic Enrichment	84.424	29,899
ESSER Covid-19 Coronavirus	84.425	319,464
Total Department of Education		$ 780,603
U. S. Department of Agriculture – Pass Through Kansas Department of Education:		
Local Food for Schools	10.185	$ 9,746
Child Nutrition Cluster:		
School Breakfast	10.553	$ 25,117
National School Lunch Program	10.555	125,764
Summer Food Service Program	10.559	34,966
Fresh Fruits and Vegetables	10.582	9,059
Total Child Nutrition Cluster		$ 194,906
Total Department of Agriculture		$ 204,652
Total Expenditures of Federal Awards		$ 985,255

See accompanying notes to schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2024

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of Unified School District No. 218 under programs of the federal government for the fiscal 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). Because the Schedule presents only a selected portion of the operations of Unified School District No. 218, it is not intended to and does not present the aggregate cash and unencumbered cash balances and receipts and expenditures of Unified School District No. 218.

Note B: Summary of Significant Accounting Policies

Expenditures reported on the accompanying Schedule of Expenditures of Federal Awards are reported on the regulatory basis of accounting, which are accounting practices prescribed by the State of Kansas and are described in Note 1 to the School District's regulatory basis financial statement.

Note C: Indirect Cost Rate

Unified School District No. 218 has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

Schedule 6

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2024

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the regulatory basis financial statements of Unified School District No. 218.

2. No significant deficiencies were disclosed during the audit of the financial statement that would be required to be reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses are reported.

3. No instances of noncompliance material to the financial statements of Unified School District No. 218 were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs were disclosed during that audit that would be required to be reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. No material weaknesses are reported.

5. The auditor's report on compliance for the major federal award programs for Unified School District No. 218 expresses an unmodified opinion on all major federal programs.

6. There were no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a).

7. The programs tested as major programs were:
   Child Nutrition Cluster CFDA #10.553, 10.555, 10.559, 10.582
   Title I Low Income CFDA #84.010

8. The threshold for determining type A and B programs was $750,000.

9. Unified School District No. 218 did not qualify as a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

UNIFIED SCHOOL DISTRICT NO. 218
Elkhart, Kansas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the fiscal year ended June 30, 2024

There were no audit findings relating to federal award programs in the prior years audit.