Unified School District Number 494

Syracuse, Kansas

FINANCIAL STATEMENT

WITH REGULATORY - REQUIRED SUPPLEMENTARY INFORMATION

and

INDEPENDENT AUDITOR'S REPORT

For the Year Ended June 30, 2022

Dirks, Anthony & Duncan, LLC
Certified Public Accountants
Ulysses, Kansas

Unified School District Number 494
Syracuse, Kansas
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INDEPENDENT AUDITOR'S REPORT

Superintendent and Board of Education
Unified School District Number 494
Syracuse, Kansas 67878

Adverse and Unmodified Opinions

We have audited the accompanying financial statement of the Unified School District Number 494 which comprise the statement of receipts, expenditures, and unencumbered cash as of June 30, 2022, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Unified School District Number 494, as of June 30, 2022, or changes in net position, or cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the financial statement referred to above present fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District Number 494, as of June 30, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* as 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, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Unified School District Number 494, 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 Opinions on U.S. Generally Accepted Accounting Principles
As described in Note 1 of the financial statement, the financial statement is prepared by the Unified School District Number 494, on the basis of the financial reporting provisions of *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 and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are 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 Unified School District Number 494'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 double 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 opinion. 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 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Unified School District Number 494'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 Unified School District Number 494'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 receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3, and 4, as listed in the table of contents) are presented for 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 information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Unified School District Number 494 as of and for the year ended June 30, 2021 (not presented herein), and have issued our reported thereon dated October 14, 2021, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link: http://admin.ks.gov/offices/oar/municipal-services. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2021 (Schedule 2 as listed in the table of contents) is presented for the purposes of additional analysis and is not a required part of the basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2021, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the Unified School District Number 494's basic financial statement. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2022, on our consideration of the Unified School District Number 494'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 Unified School District Number 494'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 Number 494's internal control over financial reporting and compliance.

Dirks, Anthony & Duncan LLC

DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

December 1, 2022

Unified School District Number 494
Syracuse, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Fund	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances And Accounts Payable	Ending Cash Balance
General Funds:						
General	$ -	$ 5,561,270	$ 5,558,257	$ 3,013	$ 1,478	$ 4,491
Supplemental General	140,916	1,699,337	1,723,038	117,215	78,654	195,869
Special Purpose Funds:						
Preschool-Aged At-Risk	107,815	80,000	72,739	115,076	-	115,076
At-Risk Fund (K-12)	664,833	1,272,827	1,220,605	717,055	-	717,055
Bilingual Education	616,809	400,000	251,023	765,786	-	765,786
Capital Outlay	2,351,399	1,012,283	1,146,780	2,216,902	575,943	2,792,845
Driver Training	9,358	-	-	9,358	-	9,358
Food Service	98,830	385,597	367,427	117,000	13,187	130,187
Professional Development	119,748	80,000	86,062	113,686	7,341	121,027
Special Education	929,621	574,812	580,427	924,006	-	924,006
Gift and Grants	35,776	5,297	1,758	39,315	-	39,315
Career and Postsecondary Education	398,518	160,000	181,668	376,850	-	376,850
KPERS Special Retirement	-	491,094	491,094	-	-	-
Contingency Reserve	1,003,530	-	-	1,003,530	-	1,003,530
Textbook & Student Material	267,249	171,880	194,446	244,683	104,090	348,773
State and Federal Funds	18,976	571,803	473,353	117,426	10,705	128,131
District Activity	8,771	66,820	61,346	14,245	-	14,245
Bond and Interest Fund:						
Bond and Interest	1,554,951	833,439	612,498	1,775,892	-	1,775,892
Total Reporting Entity (Less Agency Funds	$ 8,327,100	$ 13,366,459	$ 13,022,521	$ 8,671,038	$ 791,398	$ 9,462,436

Composition Of Cash	
Checking	$ 1,312,293
Petty Cash	1,500
Investments	8,226,324
Total Cash	9,540,117
Agency Funds - Per Schedule 3	(77,681)
Total Reporting Entity (Excluding Agency Funds)	$ 9,462,436

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

Unified School District Number 494
Syracuse, Kansas
Notes to the Financial Statement
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial Reporting Entity

Unified School District Number 494 is a municipal corporation that is governed by an elected seven-member board. This financial statement represents DISTRICT No. 494 (the District). The District does not have any related municipal entities.

b) 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 regulatory receipt sources (other than Capital Project and tax levies for long- term debt) that are intended for specified purposes.

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

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

c) Basis of Accounting

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

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

a) Budgetary Information

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

A legal operating budget is not required for capital projects funds, trust funds and the following special purpose funds:

Gift and Grants Fund, Contingency Reserve Fund, Textbook and Student Material Revolving Fund, and State, Federal and Other Grants Funds.

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

NOTE 2 – DEPOSITS AND INVESTMENTS

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

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

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

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

At June 30, 2022 the carrying amount of the District's deposits, including certificates of deposit, was $9,462,436 and the bank balance was $10,216,208. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $750,000 was covered by federal depository insurance, and the remaining balance was collateralized with securities held by the pledging financial institution's agents in the District's name.

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

NOTE 3 – RETIREMENT PLAN

General Information about the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33% for the fiscal year ended June 30, 2022.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. The contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $194.0 million in fiscal year 2019 contributions. Payment is schedule to be made in a series of twenty annual payments of $19.4 million starting in fiscal year 2020.

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost of retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $491,094 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $3,828,760. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contribution to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

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

NOTE 4 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

a) Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

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

b) *Compensated Absences.* The District utilizes 2 Leave Plan options: Plan 1 and Plan 2. Plan 1 was the previously enacted system. Plan 2 began in the 2015 school year. The teachers choose each year what plan they would like to participate in, once a teacher selects Plan 2, they must remain with Plan 2 for his/her entire tenure with the district.

c) *Early Retirement Program for Licensed Teachers.* Any licensed teachers at least 55 years of age, excluding new hires, are eligible for early retirement benefits. Early retirees shall elect to have benefits paid into a qualified 403(b) plan. There are 4 Tiers retirees qualify for, each paying different benefits. Regardless of the Tier the licensed teacher falls into, benefits shall be paid for no more than 5 years or until the retiree reaches the age of 65, whichever occurs first. At the fiscal year ended June 30, 2022, $17,254 was paid for the District's early retirement program.

NOTE 5 – IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $285,510 subsequent to June 30, 2022 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

NOTE 6 – INTERFUND TRANSFERS

Interfund operating transfers are as follows:

Fund Transferred Out:	Fund Transferred To:	Statutory Authority	Amount
General	Bilingual Fund	K.S.A. 72-6428	$ 250,000
General	Capital Outlay	K.S.A. 72-6428	500,000
General	Professional Development	K.S.A. 72-6428	80,000
General	Special Education	K.S.A. 72-6428	574,812
General	Career and Postsecondary Education	K.S.A. 72-6428	60,000
General	Textbook & Student Material Revolving	K.S.A. 72-6428	150,000
General	At Risk (K-12)	K.S.A. 72-6428	1,013,069
General	Preschool-Aged At-Risk	K.S.A. 72-6428	50,000
Supplemental General	Career and Postsecondary Education	K.S.A. 72-6428	100,000
Supplemental General	Preschool-Aged At-Risk	K.S.A. 72-6428	30,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6428	259,758
Supplemental General	Bilingual	K.S.A. 72-6428	150,000

NOTE 7 – LONG TERM DEBT

Changes in long–term liabilities for the district for the year ended June 30, 2022, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions Payments	Balance End of Year	Interest Paid
General Obligation (GO) Bonds:									
2014 Series	2.00-4.00%	6/1/2014	6,275,000	9/1/26	$ 3,365,000	$ -	$ 530,000	$ 2,835,000	$ 77,998
2016 Series	3.00%	10/4/2016	150,000	9/1/27	150,000	-	-	150,000	4,500
Total Contractual Indebtedness					$ 3,515,000	$ -	$ 530,000	$ 2,985,000	$ 82,498

Current maturities of long–term debt and interest through maturity are as follows:

	Year					
	2023	2024	2025	2026	2027	TOTAL
Principal:						
2014 Series	$540,000	$550,000	$565,000	$580,000	$600,000	$2,835,000
2016 Series	-	-	-	-	150,000	150,000
Total Principal	540,000	550,000	565,000	580,000	750,000	2,985,000
Interest:						
2014 Series	65,960	53,698	40,730	25,975	9,000	195,363
2016 Series	4,500	4,500	4,500	4,500	6,750	24,750
Total Interest	70,460	58,198	45,230	30,475	15,750	220,113
Total Principal and Interest	$610,460	$608,198	$610,230	$610,475	$765,750	$3,205,113

NOTE 8 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, Kansas Department of Administration, and Interpretation by legal repetition of the Municipality.

The District did not void or reissue checks over 2 years old as required by K.S.A. 10-815.

There was a budget violation in Professional Development Fund for $26,062.

The District did not follow Kansas Bid Law as required by K.S.A. 72-1151 for purchases over $20,000.

There were no other statute violations, cash law violation or budget law violations for the year ending June 30, 2022.

NOTE 9 – CLAIMS, JUDGEMENTS AND RISK MANAGEMENT

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that any disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

NOTE 9 – CLAIMS, JUDGEMENTS AND RISK MANAGEMENT, CONTINUED

During the ordinary course of its operation the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material impact on the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage in the 2022 fiscal year, and there were no settlements that exceeded insurance coverage in the past three years.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

The District has a college reimbursement plan for the employees of the district. This program will reimburse any employee's tuition up to $200 per credit hour they obtain from an accredited college. The District also has a grow your own program in which employees can participate to obtain unlimited reimbursement for college credits. Participation in the grown your own program requires an employee to be approved by the Superintendent prior to their college enrollment. Both programs are given to an employee with the requirement that the employee must work for the District for an additional two years after the college credits have been obtained. In the event an employee does not receive a passing credit, the employee must reimburse the District for the course or the District will not pay for the retake of the course. The terms of the grow your own program is included in the negotiated agreement and are subject to change each year.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

REGULATORY REQUIRED SUPPLEMENTAL INFORMATION

Schedule 1

Unified School District Number 494

Syracuse, Kansas

Summary of Expenditures - Actual and Budget (Budgeted Funds Only)

Regulatory Basis

For the Year Ended June 30, 2022

Fund	Certified Budget	Adjustment to Comply with Legal Max	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:					
General	$ 5,732,849	$ (174,592)	$ 5,558,257	$ 5,558,257	$ -
Supplemental General	1,777,197	(54,159)	1,723,038	1,723,038	-
Special Purpose Funds:					
Preschool-Aged At-Risk	150,200		150,200	72,739	(77,461)
At-Risk Fund (K-12)	1,456,000		1,456,000	1,220,605	(235,395)
Bilingual Education	632,000		632,000	251,023	(380,977)
Capital Outlay	2,900,600		2,900,600	1,146,780	(1,753,820)
Driver Training	-		-	-	-
Food Service	511,700		511,700	367,427	(144,273)
Professional Development	60,000		60,000	86,062	26,062
Special Education	1,092,525		1,092,525	580,427	(512,098)
Career and Postsecondary Education	636,500		636,500	181,668	(454,832)
KPERS Special Retirement	578,034		578,034	491,094	(86,940)
Bond and Interest Fund:					
Bond and Interest	612,498		612,498	612,498	-

Unified School District Number 494
Syracuse, Kansas
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Mineral Taxes	$ 926	$ 8,463	$ 1,500	$ 6,963
State Equalization Aid	5,045,361	5,200,397	5,339,295	(138,898)
State Special Education Aid	336,909	352,410	392,054	(39,644)
State Aid Reimbursement	3,000	-	-	-
Total Receipts	5,386,196	5,561,270	$ 5,732,849	$ (171,579)
Expenditures				
Instruction	1,536,481	1,486,404	1,662,500	(176,096)
Student Support Services	97,854	102,781	119,240	(16,459)
General Administration	319,134	326,106	323,002	3,104
School Administration	306,911	317,679	326,500	(8,821)
Central Services	27,152	30,290	30,000	290
Operations and Maintenance	379,479	390,309	390,500	(191)
Transportation Operations and Maintenance	12,377	10,853	14,000	(3,147)
Student Transportation Services - Supervision	3,038	1,629	5,000	(3,371)
Vehicle Operating Services	134,278	190,805	163,200	27,605
Vehicle & Maintenance Services	27,110	23,520	31,350	(7,830)
Other Support Services	30,935	-	32,000	(32,000)
Fund Transfers	2,511,447	2,677,881	2,635,557	42,324
Adjustment to Comply with Legal Max			(174,592)	174,592
Legal General Fund Budget	5,386,196	5,558,257	5,558,257	-
Adjustment for Qualifying Budget Credits			-	-
Excess Funds Remitted to State	-	-	-	-
Total Expenditures	5,386,196	5,558,257	$ 5,558,257	-
Receipts Over (Under) Expenditures	-	3,013		$ (171,579)
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 3,013		

Schedule 2-2

Unified School District Number 494
Syracuse, Kansas
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Advalorem Taxes	$ 852,859	$ 789,714	$ 823,620	$ (33,906)
Back Tax Collections	23,102	38,083	17,638	20,445
Motor Vehicle Tax Collections	67,546	71,159	55,168	15,991
Recreational Vehicle Tax Collections	976	1,064	659	405
Supplemental General State Aid	740,547	799,317	824,442	(25,125)
Total Receipts	1,685,030	1,699,337	$ 1,721,527	$ (22,190)
Expenditures				
Instruction	174,858	219,573	213,697	5,876
Student Support Services	6,551	7,170	8,500	(1,330)
General Administration	114,503	164,410	182,500	(18,090)
School Administration	6,286	6,174	7,500	(1,326)
Central Services	-	-	-	-
Operations and Maintenance	627,842	785,953	735,000	50,953
Fund Transfers	697,894	539,758	630,000	(90,242)
Adjustment to Comply with Legal Max			(54,159)	54,159
Legal General Fund Budget	1,627,934	1,723,038	1,723,038	-
Adjustment for Qualifying Budget Credits	-	-	-	-
Total Expenditures	1,627,934	1,723,038	$ 1,723,038	-
Receipts Over (Under) Expenditures	57,096	(23,701)		$ (22,190)
Unencumbered Cash, Beginning	83,820	140,916		
Unencumbered Cash, Ending	$ 140,916	$ 117,215		

Unified School District Number 494
Syracuse, Kansas
Preschool-Aged At-Risk Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 85,000	$ 80,000	$ 80,000	$ -
Total Receipts	85,000	80,000	$ 80,000	$ -
Expenditures				
Instruction	70,286	72,739	150,200	(77,461)
Total Expenditures	70,286	72,739	$ 150,200	(77,461)
Receipts Over (Under) Expenditures	14,714	7,261		$ 77,461
Unencumbered Cash, July 1	93,101	107,815		
Unencumbered Cash, June 30	$ 107,815	$ 115,076		

Schedule 2-4

Unified School District Number 494
Syracuse, Kansas
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfers In	$ 1,127,736	$ 1,272,827	$ 1,200,728	$ 72,099
Total Receipts	1,127,736	1,272,827	$ 1,200,728	$ 72,099
Expenditures				
Instruction	1,016,806	1,220,605	1,456,000	(235,395)
Total Expenditures	1,016,806	1,220,605	$ 1,456,000	(235,395)
Receipts Over (Under) Expenditures	110,930	52,222		$ 307,494
Unencumbered Cash, July 1	553,903	664,833		
Unencumbered Cash, June 30	$ 664,833	$ 717,055		

Unified School District Number 494
Syracuse, Kansas
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 462,500	$ 400,000	$ 500,000	$ (100,000)
Total Receipts	462,500	400,000	$ 500,000	$ (100,000)
Expenditures				
Instruction	291,389	251,023	547,000	(295,977)
Other Support Services	-	-	85,000	(85,000)
Total Expenditures	291,389	251,023	$ 632,000	(380,977)
Receipts Over (Under) Expenditures	171,111	148,977		$ 280,977
Unencumbered Cash, July 1	445,698	616,809		
Unencumbered Cash, June 30	$ 616,809	$ 765,786		

Schedule 2-6

Unified School District Number 494
Syracuse, Kansas
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Advalorem Property Taxes	$ 313,384	$ 300,968	$ 289,898	$ 11,070
Back Tax Collections	8,559	13,510	6,444	7,066
Motor Vehicle Tax Collections	25,780	26,370	21,388	4,982
Recreational Vehicle Tax Collections	375	393	255	138
Rent/Rental Fees	15,373	10,380	-	10,380
Capital Outlay State Aid	122,041	115,768	116,145	(377)
Interest	30,700	34,894	50,000	(15,106)
Transfer In	704,779	500,000	450,000	50,000
Miscellaneous	570	10,000	60,000	(50,000)
Total Receipts	1,221,561	1,012,283	$ 994,130	$ 18,153
Expenditures				
Instruction	141,933	419,735	360,000	59,735
General Administration	24,282	-	30,000	(30,000)
Operations and Maintenance	132,158	67,185	210,000	(142,815)
Transportation	255,851	179,090	275,600	(96,510)
Site Improvements	359,432	480,770	2,025,000	(1,544,230)
Total Expenditures	913,656	1,146,780	$ 2,900,600	(1,753,820)
Receipts Over (Under) Expenditures	307,905	(134,497)		$ 1,771,973
Unencumbered Cash, July 1	2,043,494	2,351,399		
Unencumbered Cash, June 30	$ 2,351,399	$ 2,216,902		

Unified School District Number 494
Syracuse, Kansas
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Transfers In	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Instruction	-	-	-	-
Total Expenditures	-	-	$ -	-
Receipts Over (Under) Expenditures	-	-		$ -
Unencumbered Cash, July 1	9,358	9,358		
Unencumbered Cash, June 30	$ 9,358	$ 9,358		

Schedule 2-8

Unified School District Number 494
Syracuse, Kansas
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charge for Services	$ 15,283	$ 19,178	$ 34,240	$ (15,062)
State Aid	2,673	2,547	3,262	(715)
Federal Aid	310,268	363,872	462,245	(98,373)
Total Receipts	328,224	385,597	$ 499,747	$ (114,150)
Expenditures				
Operations and Maintenance	3,804	1,193	5,000	(3,807)
Food Service Operation	309,300	366,234	506,700	(140,466)
Total Expenditures	313,104	367,427	$ 511,700	(144,273)
Receipts Over (Under) Expenditures	15,120	18,170		$ 30,123
Unencumbered Cash, July 1	83,710	98,830		
Unencumbered Cash, June 30	$ 98,830	$ 117,000		

Unified School District Number 494
Syracuse, Kansas
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
State Aid	$ 1,609	$ -	$ -	-
Transfers In	37,500	80,000	34,195	45,805
Total Receipts	39,109	80,000	$ 34,195	$ 45,805
Expenditures				
Instruction Support Staff	1,579	5,404	15,000	(9,596)
Central Services	7,343	80,658	45,000	35,658
Total Expenditures	8,922	86,062	$ 60,000	26,062
Receipts Over (Under) Expenditures	30,187	(6,062)		$ 19,743
Unencumbered Cash, July 1	89,561	119,748		
Unencumbered Cash, June 30	$ 119,748	$ 113,686		

Schedule 2-10

Unified School District Number 494
Syracuse, Kansas
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 4,918	$ 222,402	$ -	$ 222,402
ESSER II	-	-	7,500	(7,500)
State Aid Transferred from General Fund	336,909	352,410	392,054	(39,644)
Total Receipts	341,827	574,812	$ 399,554	$ 175,258
Expenditures				
Instruction	548,762	580,427	1,048,025	(467,598)
Vehicle Operating Services	4,861	-	44,500	(44,500)
Total Expenditures	553,623	580,427	$ 1,092,525	(512,098)
Receipts Over (Under) Expenditures	(211,796)	(5,615)		$ 687,356
Unencumbered Cash, July 1	1,141,417	929,621		
Unencumbered Cash, June 30	$ 929,621	$ 924,006		

Unified School District Number 494
Syracuse, Kansas
Gifts and Grants Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year	Current Year
Receipts		
Miscellaneous Income	$ 13,661	$ 5,297
Total Receipts	13,661	5,297
Expenditures		
Instruction	8,172	1,758
Total Expenditures	8,172	1,758
Receipts Over (Under) Expenditures	5,489	3,539
Unencumbered Cash, July 1	30,287	35,776
Unencumbered Cash, June 30	$ 35,776	$ 39,315

Schedule 2-12

Unified School District Number 494
Syracuse, Kansas
Career and Postsecondary Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 250,000	$ 160,000	$ 400,000	$ (240,000)
Total Receipts	250,000	160,000	$ 400,000	$ (240,000)
Expenditures				
Instruction	153,723	181,668	636,500	(454,832)
Total Expenditures	153,723	181,668	$ 636,500	(454,832)
Receipts Over (Under) Expenditures	96,277	(21,668)		$ 214,832
Unencumbered Cash, July 1	302,241	398,518		
Unencumbered Cash, June 30	$ 398,518	$ 376,850		

Unified School District Number 494
Syracuse, Kansas
KPERS Special Retirement
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
State KPERS	$ 469,184	$ 491,094	$ 578,034	$ (86,940)
Total Receipts	469,184	491,094	$ 578,034	$ (86,940)
Expenditures				
Employee Benefits	469,184	491,094	578,034	(86,940)
Total Expenditures	469,184	491,094	$ 578,034	(86,940)
Receipts Over (Under) Expenditures	-	-		$ -
Unencumbered Cash, July 1	-	-		
Unencumbered Cash, June 30	$ -	$ -		

Schedule 2-14

Unified School District Number 494
Syracuse, Kansas
Contingency Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year	Current Year
Receipts		
Transfers In	$ -	$ -
Total Receipts	-	-
Expenditures		
Site Improvements	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, July 1	1,003,530	1,003,530
Unencumbered Cash, June 30	$ 1,003,530	$ 1,003,530

Unified School District Number 494
Syracuse, Kansas
Textbook and Student Material Revolving Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year	Current Year
Receipts		
Fees and Miscellaneous Revenue	$ 23,925	$ 21,880
Transfers In	200,000	150,000
Total Receipts	223,925	171,880
Expenditures		
Instruction	147,625	194,446
Total Expenditures	147,625	194,446
Receipts Over (Under) Expenditures	76,300	(22,566)
Unencumbered Cash, July 1	190,949	267,249
Unencumbered Cash, June 30	$ 267,249	$ 244,683

Schedule 2-16

Unified School District Number 494
Syracuse, Kansas
State and Federal Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2022

	Title I Low Income	Title I Migrant	Supporting Effective Instruction	English Language Acqusition	Student Support & Academic Enrichment Program	Small Rural Schools Grant (REAP)	ESSER II	LINK Grant	Total
Receipts									
Federal Grants	$ 166,105	$125,250	$ 21,626	$ 24,343	$ 18,053	$ 28,317	$188,109	$ -	$ 571,803
Total Receipts	166,105	125,250	21,626	24,343	18,053	28,317	188,109	-	571,803
Expenditures									
Instruction	166,105	125,250	21,626	24,343	18,053	28,317	56,419	-	440,113
Student Support Services	-	-	-	-	-	-	10,638	-	10,638
Site Improvements	-	-	-	-	-	-	22,602	-	22,602
Total Expenditures	166,105	125,250	21,626	24,343	18,053	28,317	89,659	-	473,353
Receipts Over (Under) Expenditures	-	-	-	-	-	-	98,450	-	98,450
Unencumbered Cash, Beginning	-	-	-	-	-	-	19,489	(513)	18,976
Prior Year Cancelled Encumbrances	-	-	-	-	-	-	-	513	513
Unencumbered Cash, Ending	$ -	$ -	$ -	$ -	$ -	$ -	$117,939	$ -	$ 117,939

Unified School District Number 494
Syracuse, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 546,268	$ 533,919	$ 523,694	$ 10,225
Delinquent Tax	15,467	23,517	11,236	12,281
Motor Vehicle Tax	48,157	47,187	40,739	6,448
Recreational Vehicle Tax	706	698	486	212
State Capital Improvement Aid	231,291	228,118	226,624	1,494
Total Receipts	841,889	833,439	$ 802,779	$ 30,660
Expenditures				
Bond Principal Payments	510,000	530,000	530,000	-
Bond Interest Payments	98,660	82,498	82,498	-
Total Expenditures	608,660	612,498	$ 612,498	-
Receipts Over (Under) Expenditures	233,229	220,941		$ 30,660
Unencumbered Cash, July 1	1,321,722	1,554,951		
Unencumbered Cash, June 30	$ 1,554,951	$ 1,775,892		

Schedule 3

Unified School District Number 494
Syracuse, Kansas
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2022

Student Organizations:	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Jr./Sr. High School				
Student Council	$ 8,205	$ 5,620	$ 7,899	$ 5,926
FFA	10,752	3,243	3,640	10,355
Class of 2018	157	-	157	-
Class of 2021	245	-	245	-
Class of 2022	444	320	764	-
Class of 2023	136	3,320	1,828	1,628
Class of 2024	398	135	-	533
Class of 2025	84	501	-	585
Class of 2026	-	109	-	109
Class of 2027	-	109	-	109
Drama Club	3,591	-	-	3,591
National Honor Society	1,009	76	230	855
World Language Club	1,209	-	500	709
JH Science	-	512	-	512
Jr. High School Cheer Club	3,715	9,584	7,237	6,062
High School Cheer Club	2,009	7,451	8,290	1,170
Golf	4,300	2,142	2,310	4,132
High School Volleyball	833	1,203	2,047	(11)
High School Girls Basketball	540	4,003	3,361	1,182
High School Boys Basketball	1,237	4,386	4,155	1,468
Jr. High School Football	1,052	-	202	850
Jr. High School Volleyball	398	553	575	376
Jr. High School Girls Basketball	676	1,065	1,182	559
Jr. High School Boys Basketball	542	440	480	502
Baseball	934	74	593	415
High School Football	2,907	612	-	3,519
High School Track	457	249	57	649
Jr. High School Scholars Bowl	220	-	-	220
Jr. High School Track	396	-	360	36
Jr. High School Cross County	161	88	-	249
Weightlifting Club	250	-	-	250
FCLS Club	500	-	-	500
High School Cross Country	129	761	671	219
High School Scholars Bowl	51	-	42	9
High School Music	1,077	-	-	1,077
STEM	1,518	-	-	1,518
ELA Club	47	-	-	47
Film Fund	747	-	-	747
Yearbook Fund	20,023	10,246	16,000	14,269
Subtotal Jr./Sr. High School	70,297	56,802	62,825	64,926
Elementary				
Yearbook	67	-	-	67
PUPS	324	50	84	290
Elementary STUCO Club	56	4,215	3,165	1,106
Teacher's Fund	424	-	82	342
Music	50	-	50	-
Subtotal Elementary	921	4,265	3,381	1,805
Total Student Organization Funds	71,218	61,067	66,206	66,731
Other Agency Funds:				
Elementary Sales Tax	-	321	-	321
High School Sales Tax	2,500	21,652	21,152	3,000
Payroll Deduction Fund	18,894	-	11,265	7,629
Total Agency Funds	$ 92,612	$ 83,040	$ 98,623	$ 77,681

Unified School District Number 494
Syracuse, Kansas
District Activity Fund
Schedule of Receipts, Expenditures, and Unencumbered Cash
For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances And Accounts Payable	Ending Cash Balance
Gate Receipts						
Athletics	$ 3,402	$ 59,938	$ 54,113	$ 9,227	$ -	$ 9,227
Concessions	61	6,003	6,006	58	-	58
Total Gate Receipts	3,463	65,941	60,119	9,285	-	9,285
District Activity	1,225	-	-	1,225	-	1,225
Grade School Activity	4,083	879	1,227	3,735	-	3,735
Total District Activity Fund	$ 8,771	$ 66,820	$ 61,346	$ 14,245	$ -	$ 14,245

Unified School District Number 494
Syracuse, Kansas

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Unified School District Number 494

Syracuse, Kansas

SINGLE AUDIT SECTION

For the Year Ended June 30, 2022

Dirks, Anthony & Duncan, LLC
Certified Public Accountants & Management Consultants
104 N. Main / P.O. Box 885 / Ulysses, KS 67880 / Phone: (620) 356-4951 / Fax: (620) 353-1018

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*

Superintendent and Board of Education
Unified School District Number 494
Syracuse, Kansas 67878

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Unified School District Number 494, as of and for the year ended June 30,2022, and the related notes to the financial statements, which collectively comprise Unified School District Number 494's basic financial statements and have issued our report thereon dated December 1, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Unified School District Number 494'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 statements, but not for the purpose of expressing an opinion on the effectiveness of Unified School District Number 494's internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District Number 494'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 statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District Number 494's financial statements are 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 statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2022-001.

Unified School District Number 494's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Unified School District Number 494's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Unified School District Number 494's response was not subjected to the other auditing procedures applied in the audit of the financial statements 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 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.

Dirks, Anthony & Duncan L.L.C.

DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

December 1, 2022

Dirks, Anthony & Duncan, LLC
Certified Public Accountants & Management Consultants
104 N. Main / P.O. Box 885 / Ulysses, KS 67880 / Phone: (620) 356-4951 / Fax: (620) 353-1018

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

Superintendent and Board of Education
Unified School District Number 494
Syracuse, Kansas 67878

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District Number 494'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 Number 494's major federal programs for the year ended June 30, 2022. Unified School District Number 494'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 Number 494 complied, in all material respects, with the 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, 2022.

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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Unified School District Number 494 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 Number 494's 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 Number 494'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 Number 494'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 Number 494'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 Number 494'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 Number 494'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 Number 494'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Unified School District Number 494's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Unified School District Number 494's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 to be significant deficiencies.

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 Number 494's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Unified School District Number 494's 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.



DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

December 1, 2022

Unified School District Number 494
Syracuse, Kansas
Schedule of Expenditures of Federal Awards
Regulatory Basis
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Numbers	Pass Through Identifying Number	Federal Award Expenditures
U.S. Department of Agriculture			
Passed Through State of Kansas Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553	D0494	$ 42,382
National School Lunch Program	10.555	D0494	257,567
Fresh Fruits and Vegetables	10.582	D0494	27,032
Summer Food Service Program for Children	10.559	D0494	36,277
Total Child Nutrition Cluster			320,876
COVID-19 - State Pandemic Electronic Benefit Transfer Admin Costs Grant	10.649	D0494	614
Total U.S. Department of Agriculture			363,872
U.S. Department of Education			
Rural Education Achievement Program	84.358B	D0494	28,317
Passed Through State of Kansas Department of Education			
Title I Grants to Local Educational Agencies	84.010A	D0494	166,105
Title I Grants Migrant Education State Grant Program	84.011A	D0494	125,250
English Language Acquisition State Grant - Title III	84.365A	D0494	24,343
Supporting Effective Instruction State Grant	84.367A	D0494	21,626
Student Support and Academic Enrichment Program	84.424A	D0494	18,053
COVID-19 - Elementary and Secondary School Emergency Relief Fund II	84.425D	D0494	89,659
Total U.S. Department of Education			473,353
Total Schedule of Expenditures of Federal Awards			$ 837,225

Unified School District Number 494
Syracuse, Kansas
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Unified School District Number 494, Syracuse, Kanas (the District) under programs of the federal government for the year ended June 30, 2022. The information in this schedule if 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 select portion of the operations of District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using regulatory basis of accounting prescribed by the Kanas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1) Expenditures reported in the Schedule of Expenditures of Federal Awards (SEFA) are reported using the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash and budget laws of the State of Kansas, the same as the financial statement accompanying this schedule.

2) Unified School District Number 494 did not use the standard indirect cost rate of 10%.

NOTE 3 – FUNDS EXPENDED

Funds where federal expenditures were receipted and expended:

Food Service Fund	$ 363,872
From State, Federal and Other Grant Funds:	
Title I Low Income	166,105
Title I Migrant	125,250
Supporting Effective Instruction	21,626
English Language Acquisition	24,343
Student Support & Academic Enrichment Program	18,053
Small Rural Schools Grant (REAP)	28.317
ESSER II	89,659
	$ 837,225

Unified School District Number 494
Syracuse, Kansas
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022

Section I – Summary of Auditor's Results

Financial Statement:

Type of audit report issued	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
• Noncompliance which is material to the financial statement noted?	No

Federal Awards

Internal control over major programs:	
• Material weaknesses identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for IDEA programs:	Unmodified
Any audit findings disclosed that are required to be reported in Accordance with 2 CFR 200.516(a)?	Yes

Identification of Major Programs

Federal Assistance Listing Numbers	**Name of Federal Program or Cluster**
10.553; 10.582; 10.559	Child Nutrition Cluster
Dollar threshold to distinguish between Type A and Type B Programs	$750,000
Auditee qualifies as a low-risk auditee?	No

Section II – Financial Statement Findings

None Noted

Section III – Federal Award Findings and Questioned Costs

U.S. Department of Education
Passed Through Kansas State Department of Education
Program Name: Child Nutrition Cluster
Federal Assistance Listing Numbers: 10.553; 10.582; 10.559

Finding 2022-001
SIGNIFICANT DEFICENCY
Internal Controls

Criteria: Pursuant to the Code of Federal Regulations (CFR), Title 2 *Grants and Agreements*, Subpart D *Post Federal Award Requirements*, Section 200.303 "the non-federal entity must establish and maintain effective internal control over the Federal aware that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."

Condition: When investigating the controls related to Child Nutrition Cluster reporting to the State of Kanas, we became aware that the same individual compiling the information is the same submitting the reports with no secondary review.

Cause: The controls related to reporting for Child Nutrition Cluster are non-existent.

Effect: There is no internal control related to reporting for Child Nutrition Cluster.

Recommendations: The District should have an employee compare the District Treasurer's supporting documentation and the Child Nutrition report before its submission to the State of Kansas for its accuracy. After the approval by the secondary review employee, the report submitted should be printed, initialed by the secondary reviewer, stapled with the information used to compile the report and combined with all financial records for the fiscal year.

Views of Responsible Officials and Planned Corrective Actions: The District agrees with the finding. See separate document for planned corrective actions.

Unified School District No. 494
P.O. Box 1187, Syracuse, Ks 67878-1187 telephone (620) 384-7872 fax (620) 384-7692
Administration: Paul J Larkin, Superintendent
Paul S Zuzelski, Jr/Sr High Principal Elizabeth Plunkett, Elementary Principal
Josh Johnson, Jr/Sr High Vice-Principal, AD

CORRECTIVE ACTION PLAN
November 3, 2022

Kansas State Department of Education and Kansas State Department of Administration

Unified School District Number 494 respectfully submits the following corrective action plan for the year ended June 30,2022.

Dirks, Anthony & Duncan, LLC
Po Box 885
Ulysses, KS 67880
Audit Period: June 30, 2022

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT
U.S. Department of Education
Passed Through Kansas State Department of Education
Program Name: Child Nutrition Cluster
Federal Assistance Listing Numbers: 10.553; 10.582; 10.559

Finding 2022-001 – Internal Controls

Recommendations: The District should have an employee compare the District Treasurer's supporting documentation and the Child Nutrition report before its submission to the State of Kansas for its accuracy. After the approval by the secondary review employee, the report submitted should be printed, initialed by the secondary reviewer, stapled with the information used to compile the report and combined with all financial records for the fiscal year. Action Taken: We agree with the recommendation. Our targeted implementation date is March 2022.

If the Kansas State Department of Education and/or Kansas State Department of Administration has questions regarding this plan, please call Paul Larkin at 620-384-7446.

Sincerely yours,

Paul Larkin
Superintendent

Board of Education: President, Thad DeWeese Vice-President, Marshall Hart
Cash Bennett Matthew Lampe Victoria Pinto Ryan Schwieterman Rusty Wharton