UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

For the Fiscal Year Ended June 30, 2025

Regulatory Basis Financial Statement
Independent Auditors' Report with
Regulatory Required Supplemental Information
And Federal Compliance Section

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

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ALTAMONT, KANSAS

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D B B

D B B INC.
Certified Public Accountants

March 3, 2026

COMMUNICATIONS OF OTHER AUDIT MATTERS TO THE BOARD OF EDUCATION AND COMMUNICATIONS OF INTERNAL CONTROL ISSUES

The Board of Education
Unified School District #506
Altamont, Kansas 67330

We have audited the financial statement of the Unified School District #506 (the District) for the fiscal year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 25, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are discussed in Note 1 to the financial statement. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the District during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statement in the proper period.

Accounting estimates are an integral part of the financial statement prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statement and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statement was:

> Management's estimate of accounts payable and encumbrances is based on purchase orders issued and goods and services received. We evaluated the methods, assumptions, and data used to develop the accounts payable and encumbrances estimate in determining that it is reasonable in relation to the financial statement taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures in the financial statement.

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The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management and in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statement taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statement or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 3, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statement or a determination of the type of auditor's opinion that may be expressed on the statement, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to report on the Summary of Expenditures – Actual and Budget – Regulatory Basis, Schedules of Receipts and Expenditures – Actual and Budget – Regulatory Basis, Schedule of Receipts and Disbursements – Agency Funds – Regulatory Basis, and Schedule of Receipts, Expenditures, and Unencumbered Cash Balance – District Activity Funds – Regulatory Basis, which accompanies the financial statement and is supplementary information that is required by the regulatory basis of accounting. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the regulatory basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statement. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statement or to the financial statement itself.

COMMUNICATION OF INTERNAL CONTROL ISSUES

In planning and performing our audit of the financial statement of the District as of and for the fiscal year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the District's system of 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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 charge with governance. We consider the following deficiencies in internal control to be significant deficiencies:

PREPARATION OF FINANCIAL STATEMENT

It is the responsibility of management of the District to prepare the District's financial statement and the related notes to the financial statement. It is not uncommon for our firm to assist entities in the preparation of their financial statement. We often assist with the preparation of significant adjustments as well as assist the District to determine which disclosures are required. As is the case with many entities of the District's size, the District's accounting staff does not have the skills, training, and time necessary to prepare a complete financial statement, including footnote disclosures, in accordance with the regulatory basis of accounting. Under our professional auditing standards, we are allowed to assist the District in performing these services as part of the audit. However, the District must accept responsibility for the preparation of the financial statement. The Clerk is designated as the person responsible for the financial statement. We have provided the District with a detailed trial balance which shows the numbers according to the District's accounting records, plus adjustments, if any, to the District's financials to come up with the amounts in the audited financial statement.

It is important to note that the audit cannot be relied upon to identify material misstatements in your financial statement, or to make significant adjustments to your accounting records.

OTHER INTERNAL CONTROL ISSUES

The following internal control issues are not serious enough to be called significant deficiencies or material weaknesses, but do merit the attention of the governing board and management:

SEPARATION OF DUTIES

An internal control structure ensures that funds are properly received, disbursed, and recorded in the accounting record. An essential control feature in a well-designed internal control structure is to provide for adequate separation of duties. To the extent possible, the following functions should be performed by separate individuals:

- Authorization of transactions
- Recording or accounting for transactions
- Custody of or control over the assets
- Reconciliation or review of the work performed

A weakness in the control structure occurs when one person is or can potentially be involved in all of the accounting activities such as preparation of bills, maintenance of accounting records, and receipts of cash. It is difficult to eliminate all weaknesses in controls due to lack of personnel to completely separate duties due the small size of the District. The District has tried to separate duties and improve controls by involving the Superintendent and Treasurer, and thus we believe that this weakness is not a material weakness or significant deficiency. However, there could be instances where one person could be involved in all aspects of the accounting activities due to sickness or changes in personnel. Accordingly, the importance of following sound internal control procedures is important.

The District currently follows the following procedures:

- All expense checks should be prepared by the Treasurer approved by the Superintendent.
- All payroll checks should be closely reviewed by a second person each payroll run prior to printing the payroll checks.
- Minutes of the board meetings should clearly document approval of all bills by the Board. A list of bills approved should be included with the minutes and signed by the Board President.

Although these actions are currently taking place, we want to emphasize the importance of having a second person involved in the preceding accounting areas.

The accounting records were maintained very well. We believe that it is important to have strong internal controls in place to ensure continued good accounting records, and to have procedures in place in the unlikely event that the Clerk or any other person involved in the accounting process is replaced due to a job change, illness, or even death.

SCHOOL ACTIVITY FUNDS

The Kansas Department of Education has issued "Guidelines for School Activities Funds" which discuss the use of activity funds at a school and the accounting procedures and internal controls that should be in effect. The Board of Education is responsible for adopting and enforcing policies within the directive of these guidelines. We feel that it is necessary to comment on certain items in these guidelines relating to activity funds.

A weakness in internal controls occurs when one person is involved in all aspects of the accounting process, such as receipt of cash, preparing bank deposits, reconciling the bank account to the ledger books, and preparing cash payments. Usually the Activity Fund Treasurer is involved in all aspects of the accounting process for activity funds. Accordingly, there is a weakness in accounting controls over Activity Funds. This is a potential problem at all school Districts. Accordingly, we annually make the following suggestions to the School Board:

Adequate oversight of the activity funds is essential. The District appears to be doing many of the control features addressed in this section; we are simply making these comments to emphasize the importance of strong internal controls involving activity funds. The Board should continue to emphasize the importance of the oversight of the activity funds by the school principal as well as the teacher sponsors of the various student organizations. The Principal should closely review the monthly financial statement prepared by the Activity Fund Treasurer. All purchase orders to be paid by activity funds should be reviewed by the Principal. The Activity Fund Treasurer should also provide a copy of the monthly financial statement to the teacher sponsors of each student organization. The various teacher sponsors should place emphasis on the review of the statements. Teacher sponsors should keep copies of receipts for money turned into the Treasurer and money expended during the month and should compare these numbers to the amounts shown in the monthly Activity Fund Report. Any questions from the teacher sponsors should be directed to the Principal and the Activity Fund Treasurer. The general rule is that the more people involved in the oversight of the Activity Funds, the less of a chance of any accounting improprieties occurring. The use of a "stamp" to sign the Principal's name should be strongly discouraged.

The Activity Fund Treasurer should be provided with a copy of the "Guidelines for School Activities Funds" issued by the Kansas Department of Education. The Activity Fund Treasurer should be told each year to review the "Guidelines" and follow the internal controls mentioned, such as the use of pre-numbered receipts, all receipts should be deposited intact, and expenses should be supported by invoices detailing the items purchased. The Board should also ensure that the Activity Fund Treasurers are adequately bonded. That is, if money is deemed to be missing in the Activity Funds, insurance should be adequate to cover any amounts missing. It is our understanding that the Activity Fund Treasurers are covered by the District's insurance. I am sure that your insurance agent would be glad to review each Activity Fund to determine if insurance coverage is adequate.

We would like to point out that preceding comments are not unique to the District or to most School Activity Funds. There was no evidence of wrongdoing or misappropriation of activity funds for the District. We are simply highlighting any non-compliance with the importance of following the guidelines for school activities funds as well as the inherent weakness in internal controls over activity funds.

Restriction on Use

This information is intended solely for the information and use of the Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

DBB Inc.

DBB Inc.

D B B

D B B INC.

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District #506
Altamont, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying Summary Statement of Receipts, Expenditures, and Unencumbered Cash, Regulatory Basis, of the Unified School District #506(District), Altamont, Kansas as of and for the fiscal year ended June 30, 2025 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 the District as of June 30, 2025 or changes in financial positions and cash flows thereof for the fiscal year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District #506, Altamont, Kansas as of June 30, 2025, and the aggregate receipts and expenditures for the fiscal 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) and the *Kansas Municipal Audit and Accounting Guide.* Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Responsibility 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 to meet the financial reporting requirements of the State of Kansas. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The 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, and the 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, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 and schedule of expenditures of federal awards are 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 March 3, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Prior Year Comparative Numbers

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the fiscal year ended June 30, 2024 (not presented herein), and have issued our report thereon dated June 9, 2025, which contained an unmodified opinion on the basic financial statement. The 2024 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 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2025 (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 2024 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 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 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 2024 basic financial statement or to the 2024 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 2024 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, 2024, on the basis of accounting described in Note 1.

DBB Inc.

DBB Inc.

March 3, 2026
Fort Scott, Kansas

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	$ 1	$ 13,680,562	$ 13,680,563	$ -	$ 1,093,487	$ 1,093,487
Supplemental General	85,038	4,346,909	4,321,685	110,262	420,204	530,466
Special Purpose Funds:						
4 Yr Old At Risk	65,080	58,018	56,391	66,707	4,268	70,975
K-12 At Risk	-	2,847,490	2,847,490	-	122,395	122,395
Virtual Education	-	25,204	2,204	23,000	-	23,000
Capital Outlay	1,740,437	1,442,882	1,718,188	1,465,132	114,931	1,580,063
Driver Education	80,568	23,385	27,580	76,373	-	76,373
Food Service	208,221	1,255,185	1,201,339	262,067	32,805	294,873
Professional Development	106,194	27,671	30,348	103,517	-	103,517
Parents As Teachers	-	50,000	23,070	26,930	-	26,930
Special Education	939,409	3,052,243	2,605,779	1,385,874	2,411	1,388,285
Career and Postsecondary Education	262,270	331,433	313,702	280,000	22,993	302,993
KPERS Special Retirement	-	1,298,880	1,298,880	-	-	-
Contingency Reserve	750,723	245,000	-	995,723	6	995,729
Textbook Rental	288,830	37,462	26,450	299,842	728	300,570
Title I	-	454,403	454,403	-	68,988	68,988
Safe and Supportive Schools	-	-	-	-	-	-
Title II -A Teacher Quality	-	61,898	61,898	-	12,288	12,288
Title VII Indian Education	76,957	84,470	144,738	16,689	98,419	115,108
Secondary Program Improvements	(13,373)	92,590	79,217	-	718	718
EMINT Grant	-	-	-	-	-	-
21st Century Grant	1,000	273,716	274,920	(205)	4,276	4,072
Technology Grant	(20,238)	20,238	-	-	-	-
ESSER	(517,164)	904,819	387,655	-	-	-
Pre-K Pilot Grant	(11,803)	84,814	63,871	9,140	10,746	19,886
Safe and Secure Schools Grant	-	20,854	9,416	11,438	-	11,438
Mental Health Program	-	43,716	43,716	-	8,566	8,566
COVID Testing	18,237	104,015	122,252	-	22	22
Gifts & Grants	101,370	-	30,583	70,787	-	70,787
BGS Preschool Grant	7,788	73,924	59,272	22,440	9,531	31,971
Youth Job Training Grant	(2,132)	249,652	219,823	27,697	-	27,697
Stronger Connections Grant	128,637	65,000	2,734	190,903	-	190,903
Project Account	-	1,875	1,875	0	-	-
District Activity Funds	3,828	116,601	102,741	17,688	-	17,688
Bond and Interest Fund	2,404,504	938,396	683,130	2,659,770	-	2,659,770
Total Entity (Excluding Agency Funds)	$ 6,704,382	$ 32,313,306	$ 30,895,913	$ 8,121,775	$ 2,027,782	$ 10,149,558

Composition of Cash	
General Checking Account	7,131,869
Lease Purchase Bond Account	-
Activity Checking Accounts	171,401
Certificates of Deposit	3,000,000
Total Cash	10,303,271
Agency Funds per Schedule 3	(153,713)
Total Reporting Entity	10,149,558

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

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

NOTES TO THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement of Unified School District #506, Altamont, Kansas, has been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies follow. Note 1 describes how the District's accounting policies differ from accounting policies generally accepted in the United States of America.

Reporting Entity
The District is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District #506 (the primary government). The District has developed criteria to determine whether outside agencies, with activities which benefit the members of the District, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises financial accountability, selection of governing authority, designation of management, ability to significantly influence operations, scope of public service and special financing relationships. Based on the above criteria, the District has determined that no outside agency meets the criteria; therefore, no outside agency has been included as a related municipal entity in this financial statement.

Basis of Presentation - Fund 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.

The following types of funds comprise the financial activities of the Unified School District #506:

General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

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

Trust Fund - funds used to report assets held in trust for the benefit of the municipal financial reporting entity (ie. Pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation - Fund Accounting (Continued)

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 revenues 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.

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) and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

Kansas Statutes require that an annual operating budget be legally adopted for the general fund. 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 municipality did hold a revenue neutral rate hearing this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The General and At Risk K-12 Funds were amended in the fiscal year 2024-2025. The General Fund and Supplemental General Fund budget was reduced to the legal maximum amount based on enrollment figures.

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 in the regulatory required supplemental information showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Budgetary Information (Continued)
All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments of the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

Legal operating budgets are not required in the following special purpose funds: Contingency Reserve, Textbook Rental, Title I, Safe and Supportive Schools, Title II-A Teacher Quality, Title VII Indian Education, Secondary Program Improvement, EMINT Grant, 21st Century Grant, Technology Grant, ESSER, Pre-K Pilot Grant, Safe and Secure Schools Grant, Mental Health Program, COVID Testing, Gifts & Grants, BGS Preschool Grant, Youth Job Training, Stronger Connections Grant, Project, or District Activity.

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.

Qualifying Budget Credits
Expenditures in various funds include expenditures not subject to the budget laws of the State of Kansas, which include reimbursed expenses and grant expenditures.

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.

Expenditures in the General Fund include expenditures in connection with reimbursements and/or grants received by the District. These are reimbursement type grants whereby grant money is received to reimburse the District for actual grant expenditures paid. These expenditures are similar to reimbursed expenses as discussed in the preceding paragraph.

Deposits and Investments
Deposits and investments are comprised of interest-bearing checking accounts and certificates of deposit. Kansas statutes permit investment in savings accounts, certificates of deposit, repurchase agreements, and obligations of the U.S. Treasury.

Compensated Absences
Full-time non-certified employees are eligible for vacation benefits ranging from 10 to 20 days a year. Employees are not allowed to accumulate and carry forward vacation benefits past their anniversary date and are not paid for them when they terminate employment.

Employees can accrue from 8 to 12 days of sick leave each year. Up to 70 days of unused sick days may be accumulated and carried over. Upon termination employees with a minimum of ten years of services with the District are paid for accumulated sick leave at the rate of $70 per day.

The District accrues a liability for compensated absences which meet the following criteria:

1. The District's obligation relating to the employee's right to receive compensation for future absences is attributable to employee's services already rendered.
2. The obligation relates to rights that vest or accumulate.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences (Continued)

3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and is material to the financial statements.

Based upon the above criteria the District has not determined a liability for vacation or sick pay.

Termination and Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan until they reach age 65. 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 these financial statements.

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. There is no cost to the District under this program.

Reimbursements

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

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31st such taxes are a lien on the property.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The financial statement has been prepared in order to show compliance with the cash basis and budget laws of Kansas. The District was in apparent compliance with the cash basis and budget laws of Kansas. The negative unencumbered cash balance in the 21st Century Fund is not cash basis violations as this is a reimbursement grant.

3. 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%. All deposits were legally secured at June 30, 2025.

At June 30, 2025, the District's carrying amount of deposits was $10,303,270.50 and the bank balance was $11,184,820.86. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $537,499.41 was covered by federal depository insurance, $2,000,000 was covered by federal depository insurance through a CDARS account, and $8,647,321.45 was collateralized with securities held by the pledging financial institutions' agents in the District's name with fair market values totaling $9,256,665.50.

4. PENSION PLAN

General Information about the Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate 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.

4. **PENSION PLAN** (Continued)

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 1.00% contribution rate for the Death and Disability Program) was 13.38% and 12.57%, respectively, for the fiscal year ended June 30, 2024. The actuarially determined employer contribution rate and the statutory contribution rate was 11.60% and 11.54% for the fiscal year ended June 30, 2025.

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

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

The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million paid off outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019 while the remaining $871.1 million was applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred in May/June 2022.

In addition, Senate Bill 421 authorizes two additional transfers in Fiscal Year 2023 which totaled $271.1 million. The first transfer of $146.1 million was received on August 1, 2022. The second transfer of $125 million was received on December 1, 2022.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $1,298,880.06 for the year ended June 30, 2025.

Net Pension Liability

At June 30, 2025, the District's proportionate share of the collective net pension liability reported by KPERS was $10,785,266. The net pension liability was measured as of June 30, 2025 and the total net pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2025. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, 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.

5. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. The District continues to carry commercial insurance for these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

6. CONTINGENCIES

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

7. TRANSFERS

Operating transfers are routinely made from the General and Supplemental General Funds to other funds as allowed by Kansas Statutes. Operating transfers were as follows:

FROM	TO	STATUTORY AUTHORITY	AMOUNT
General	Special Education	KSA 72-3422	$1,737,410
General	K-12 At Risk	KSA 72-5153	2,237,248
General	Contingency Reserve	K.S.A 72-5165	245,000
Supplemental General	Professional Development	KSA 72-2552	25,000
Supplemental General	Capital Outlay	KSA 72-53, 113	3,476
Supplemental General	Food Service	KSA 72-5164	130,000
Supplemental General	Special Education	KSA 72-3422	1,270,462
Supplemental General	Career & Postsecondary Education	KSA 72-5162	287,569
Supplemental General	K-12 At Risk	KSA 72-5153	610,242
Supplemental General	Virtual Education	KSA 72-3715	25,204
Supplemental General	Parents as Teachers	K.S.A 72-4165	50,000
Supplemental General	4 Year Old At Risk	KSA 72-5154	32,000
Gifts and Grants	BGS Preschool	K.S.A 38-2102	30,000
Project	Capital Outlay	KSA 72-53, 113	229

8. SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring subsequent to June 30, 2025 through March 3, 2026 the date the financial statements were available for issue. During this time there were no other subsequent events requiring recognition in the financial statements or disclosed in the notes to the financial statement.

9. BUDGET AMENDMENTS

The following fund budgets were amended during the year:

General Fund	Original Budget	Amended Budget
Cash Receipts		
State Sources		
General aid	$ 11,599,647	$ 11,788,582
Special Education aid	1,978,584	1,978,584
Total Cash Receipts	13,578,231	13,767,166
Unencumbered Cash, July 1	-	-
Total Resources Available	$ 13,578,231	$ 13,767,166
Expenditures		
Instruction	$ 5,137,731	$ 5,196,666
Support Services		
Student Support Services	217,500	217,500
Instructional Support Staff	272,000	272,000
General Administration	428,000	428,000
School Administration	1,027,500	1,027,500
Central Services	137,000	137,000
Operations and Maintenance	1,378,000	1,378,000
Student Transportation Services	890,500	890,500
Transfers	4,090,000	4,220,000
Total Expenditures	$ 13,578,231	$ 13,767,166

K-12 At Risk Fund	Original Budget	Amended Budget
Cash Receipts		
Local Sources		
Miscellaneous	$ 75,000	$ 75,000
Transfers	2,691,880	2,860,755
Total Cash Receipts	2,766,880	2,935,755
Unencumbered Cash, July 1	-	-
Total Resources Available	$ 2,766,880	$ 2,935,755
Expenditures		
Instruction	$ 2,766,880	$ 2,926,880
Total Expenditures	$ 2,766,880	$ 2,926,880

10. LONG-TERM OBLIGATIONS

The District's long-term obligations are presented in the following two pages of this note to the financial statement.

Schedule of Changes in Long-Term Debt

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances Beginning of Year	Additions / New Debt	Reductions / Principal Paid	Balances End of Year	Interest Paid
General Obligation Refunding Bonds Series 2012	0.45-2.30%	3/1/2012	6,415,000	9/1/2025	$ 1,350,000	$ -	$ 660,000	$ 690,000	$ 23,130
Lease Purchase Labette Bank	4.95%	1/25/2024	1,550,000	9/1/2033	1,550,000	-	145,000	1,405,000	86,563
					$ 2,900,000	$ -	$ 805,000	$ 2,095,000	$109,693

Schedule of Maturities in Long-Term Debt

Fiscal Years Ending June 30,	2026	2027	2028	2029	2030	2031 2035	Totals
Principal							
General Obligation Bonds Series 2012	$690,000	$ -	$ -	$ -	$ -	$ -	$ 690,000
Lease Purchase Labette Bank	130,000	135,000	140,000	145,000	155,000	700,000	1,405,000
Total Principal	820,000	135,000	140,000	145,000	155,000	700,000	2,095,000
Interest							
General Obligation Refunding Series 2012	7,935	-	-	-	-	-	7,935
Lease Purchase Labette Bank	66,330	59,771	52,965	45,911	38,486	71,775	335,238
Total Interest	74,265	59,771	52,965	45,911	38,486	71,775	343,173
Total Principal and Interest	$894,265	$ 194,771	$ 192,965	$ 190,911	$ 193,486	$ 771,775	$ 2,438,173

REGULATORY REQUIRED SUPPLEMENTAL INFORMATION

Schedule 1

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025

Funds	Certified Budget	Adjustment to Comply with Legal Maximum	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Funds:						
General	$ 13,767,166	$ (276,809)	$ 190,206	$ 13,680,563	$ 13,680,563	$ -
Supplemental General	4,348,881	(27,196)	-	4,321,685	4,321,685	-
Special Purpose Funds:						
4 Yr Old At Risk	185,080	-	-	185,080	56,391	(128,689)
K-12 At Risk	2,926,880	-	-	2,926,880	2,847,490	(79,390)
Virtual Education	125,000	-	-	125,000	2,204	(122,796)
Capital Outlay	3,275,000	-	-	3,275,000	1,718,188	(1,556,812)
Driver Education	47,500	-	-	47,500	27,580	(19,920)
Food Service	1,393,500	-	-	1,393,500	1,201,339	(192,161)
Professional Development	80,750	-	-	80,750	30,348	(50,402)
Parents As Teachers	30,000	-	-	30,000	23,070	(6,930)
Special Education	2,923,186	-	-	2,923,186	2,605,779	(317,407)
Career and Postsecondary Education	376,000	-	-	376,000	313,702	(62,298)
KPERS Special Retirement	1,542,546	-	-	1,542,546	1,298,880	(243,666)
Bond and Interest Fund	683,130	-	-	683,130	683,130	-
	31,704,619					

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Ad valorem tax	$ 1,078	$ -	$ -	$ -
Mineral tax	4,157	406	-	406
In Lieu Of	-	1,126	-	1,126
Reimbursements	47,255	186,814	-	186,814
State Sources				
General aid	11,097,862	11,753,881	11,788,582	(34,701)
Special education aid	1,636,516	1,734,944	1,978,584	(243,640)
Mentor teacher grant	-	3,392	-	3,392
Total Cash Receipts	12,786,869	13,680,562	$ 13,767,166	$ (86,604)
Expenditures				
Instruction	4,898,036	4,715,112	$ 5,196,666	$ (481,554)
Support Services				
Student Support	216,500	289,927	217,500	72,427
Instructional Staff Support	251,070	276,886	272,000	4,886
General Administration	401,387	451,594	428,000	23,594
School Administration	959,521	1,046,711	1,027,500	19,211
Central Services	131,849	112,256	137,000	(24,744)
Operations and Maintenance	1,282,249	1,765,717	1,378,000	387,717
Transportation	857,859	802,701	890,500	(87,799)
Operating transfers to Other Funds				
4 Yr Old At Risk	21,200	-	-	-
K-12 At Risk	2,023,266	2,237,248	2,240,000	(2,752)
Capital Outlay	77,199	-	-	-
Food Service	15,202	-	-	-
Special Education	1,636,532	1,737,410	1,980,000	(242,590)
Professional Development	15,000	-	-	-
Contingency Reserve	-	245,000	-	245,000
Total Budget			13,767,166	
Adjustments to Budget				
Adjustment for Reimbursed Expenses			190,206	(190,206)
Adjustment for Legal Maximum			(276,809)	276,809
Total Expenditures	12,786,868	13,680,563	$ 13,680,563	$ -
Receipts Over (Under) Expenditures	1	-		
Unencumbered Cash, Beginning	-	1		
Unencumbered Cash, Ending	$ 1	$ 1		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
SUPPLEMENTAL GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Ad valorem tax	$ 976,118	$ 1,049,309	$ 968,478	$ 80,831
Delinquent tax	16,840	18,120	6,651	11,469
Motor vehicle tax	152,674	164,848	155,345	9,503
In Leiu Of	-	859	-	859
State Sources				
Supplemental aid	2,893,420	3,113,774	3,133,369	(19,595)
Total Cash Receipts	4,039,052	4,346,909	$ 4,263,843	$ 83,066
Expenditures				
Instruction	697,848	901,438	$ 913,501	$ (12,063)
Support Services				
Student Support	-	5,121	-	5,121
Instructional Staff Support	-	100,643	-	100,643
General Administration	155,320	169,172	155,000	14,172
Central Services	53,951	53,389	62,000	(8,611)
Operations and Maintenance	1,357,483	657,970	1,475,500	(817,530)
Transportation	10,795	-	15,000	(15,000)
Operating transfers to Other Funds				
4 Yr Old At Risk	65,000	32,000	120,000	(88,000)
K-12 At Risk	540,786	610,242	581,880	28,362
Virtual Education	20,489	25,204	125,000	(99,796)
Capital Outlay	-	3,476	-	3,476
Food Service	-	130,000	-	130,000
Professional Development	-	25,000	-	25,000
Parents As Teachers	-	50,000	30,000	20,000
Special Education	844,906	1,270,462	646,000	624,462
Career & Postsecondary Education	285,500	287,569	225,000	62,569
Total Budget			4,348,881	
Adjustments to Budget				
Adjustment for Legal Maximum			(27,196)	27,196
Total Expenditures	4,032,079	4,321,685	$ 4,321,685	$ -
Receipts Over (Under) Expenditures	6,973	25,224		
Unencumbered Cash, Beginning	78,065	85,038		
Unencumbered Cash, Ending	$ 85,038	$ 110,262		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
4 YR OLD AT RISK FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Cash Receipts				
Local Sources				
Miscellaneous	$ 15,945	$ 26,018	$ -	$ 26,018
Operating Transfer from Other Funds				
General	21,200	-	-	-
Supplemental General	65,000	32,000	120,000	88,000
Total Cash Receipts	102,145	58,018	$ 120,000	$ 114,018
Expenditures				
Instruction	66,824	7,244	$ 145,080	$ (137,836)
Support Services				
School Administration	40,147	49,147	40,000	9,147
Total Expenditures	106,971	56,391	$ 185,080	$ (128,689)
Receipts Over (Under) Expenditures	(4,826)	1,627		
Unencumbered Cash, Beginning	69,906	65,080		
Unencumbered Cash, Ending	$ 65,080	$ 66,707		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
K-12 AT RISK FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Miscellaneous	$ -	$ -	$ 75,000	$ (75,000)
Operating Transfer from Other Funds				
General	2,023,266	2,237,248	2,240,000	(2,752)
Supplemental General	540,786	610,242	620,755	(10,513)
Total Cash Receipts	2,564,052	2,847,490	$ 2,935,755	$ (88,265)
Expenditures				
Instruction	2,578,053	2,847,490	$ 2,926,880	$ (79,390)
Total Expenditures	2,578,053	2,847,490	$ 2,926,880	$ (79,390)
Receipts Over (Under) Expenditures	(14,001)	-		
Unencumbered Cash, Beginning	14,001	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
VIRTUAL EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Operating Transfer from Other Funds				
Supplemental General	$ 20,489	$ 25,204	$ 125,000	$ (99,796)
Total Cash Receipts	20,489	25,204	$ 125,000	$ (99,796)
Expenditures				
Instruction	20,489	2,204	$ 125,000	$ (122,796)
Total Expenditures	20,489	2,204	$ 125,000	$ (122,796)
Receipts Over (Under) Expenditures	-	23,000		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 23,000		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
CAPITAL OUTLAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Cash Receipts				
Local Sources				
Ad valorem tax	$ 511,894	$ 532,134	$ 506,061	$ 26,073
Delinquent tax	9,272	9,924	3,479	6,445
Motor vehicle tax	84,738	90,225	84,864	5,361
In Leiu Of	-	449	-	449
Interest on idle funds	178,465	211,423	100,000	111,423
Miscellaneous	291,662	127,397	-	127,397
State Sources				
State aid	438,480	467,568	467,747	(179)
USD Contribution Checkoff	42	56	-	56
Operating Transfer from Other Funds				
General	77,199	-	-	-
Capital Outlay	-	3,476	-	3,476
Project	-	229	-	229
Total Cash Receipts	1,591,751	1,442,882	$ 1,162,151	$ 277,026
Expenditures				
Instruction	-	63,484	$ 300,000	$ (236,516)
Support Services				
General Administration	-	21,948	50,000	(28,052)
School Administration	44,482	17,030	300,000	(282,970)
Operations & Maintenance	33,511	69,213	350,000	(280,787)
Transportation	439,265	413,146	375,000	38,146
Facility Acquisition and Construction	1,678,216	901,804	1,900,000	(998,196)
Lease Purchase payments	-	231,563	-	231,563
Total Expenditures	2,195,474	1,718,188	$ 3,275,000	$ (1,556,812)
Receipts Over (Under) Expenditures	(603,722)	(275,305)		
Unencumbered Cash, Beginning	2,344,159	1,740,437		
Unencumbered Cash, Ending	$ 1,740,437	$ 1,465,132		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
DRIVER EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Cash Receipts				
Local Sources				
Other	$ 12,450	$ 11,350	$ 5,000	$ 6,350
State Sources				
State aid	13,050	12,035	11,475	560
Total Cash Receipts	25,500	23,385	$ 16,475	$ 6,910
Expenditures				
Instruction	32,319	27,580	$ 47,500	$ (19,920)
Total Expenditures	32,319	27,580	$ 47,500	$ (19,920)
Receipts Over (Under) Expenditures	(6,819)	(4,195)		
Unencumbered Cash, Beginning	87,387	80,568		
Unencumbered Cash, Ending	$ 80,568	$ 76,373		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
FOOD SERVICE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Student Sales	$ 237,504	$ 229,177	$ 230,531	$ (1,354)
Adult Sales	5,470	6,400	35,577	(29,177)
Other	5,008	2,064	180,000	(177,936)
State Sources				
State Aid	8,001	8,491	6,656	1,835
Federal Sources				
Child Nutrition Aid	705,069	836,536	734,190	102,346
Fresh Fruits and Vegetables Grant	108,555	37,777	-	37,777
Local Food for Schools (LFS) Coopera	9,052	4,741	-	4,741
Operating Transfer from Other Funds				
General	15,202	-	-	-
Supplemental General	-	130,000	-	130,000
Total Cash Receipts	1,093,860	1,255,185	$ 1,186,954	$ 68,231
Expenditures				
Support Services				
Central Services	-	206	$ -	$ 206
Operations and Maintenance	35,247	47,443	38,500	8,943
Operation of Non-Instructional Services				
Food Service Operations	1,222,104	1,153,691	1,355,000	(201,309)
Total Expenditures	1,257,350	1,201,339	$ 1,393,500	$ (192,161)
Receipts Over (Under) Expenditures	(163,490)	53,846		
Unencumbered Cash, Beginning	371,711	208,221		
Unencumbered Cash, Ending	$ 208,221	$ 262,067		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
PROFESSIONAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
State Sources				
State Aid	$ 2,411	$ 2,671	$ 2,400	$ 271
Operating Transfer from Other Funds				
General	15,000	-	-	-
Supplemental General	-	25,000	-	25,000
Total Cash Receipts	17,411	27,671	$ 2,400	$ 25,271
Expenditures				
Support Services				
Instructional Staff Support	15,983	30,348	$ 80,750	$ (50,402)
Total Expenditures	15,983	30,348	$ 80,750	$ (50,402)
Receipts Over (Under) Expenditures	1,428	(2,677)		
Unencumbered Cash, Beginning	104,766	106,194		
Unencumbered Cash, Ending	$ 106,194	$ 103,517		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
PARENTS AS TEACHERS FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Cash Receipts				
Operating Transfer from Other Funds				
Supplemental General	$ -	$ 50,000	$ 30,000	$ 20,000
Total Cash Receipts	-	50,000	$ 30,000	$ 20,000
Expenditures				
Support Services				
Student Support	-	23,070	$ 30,000	$ (6,930)
Total Expenditures	-	23,070	$ 30,000	$ (6,930)
Receipts Over (Under) Expenditures	-	26,930		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 26,930		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
SPECIAL EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Cash Receipts				
Local Sources				
Other	$ 8,755	$ 12,516	$ -	$ 12,516
Medicaid	50,160	31,855	-	31,855
Operating Transfer from Other Funds				
General	1,636,532	1,737,410	1,980,000	(242,590)
Supplemental General	844,906	1,270,462	646,000	624,462
Total Cash Receipts	2,540,353	3,052,243	$ 2,626,000	$ 426,243
Expenditures				
Instruction	2,263,954	2,334,393	$ 2,591,686	$ (257,293)
Support Services				
Transportation	260,937	271,386	331,500	(60,114)
Total Expenditures	2,524,891	2,605,779	$ 2,923,186	$ (317,407)
Receipts Over (Under) Expenditures	15,462	446,465		
Unencumbered Cash, Beginning	923,947	939,409		
Unencumbered Cash, Ending	$ 939,409	$ 1,385,874		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
CAREER AND POSTSECONDARY EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Cash Receipts				
Local Sources				
Miscellaneous	$ 34,223	$ 43,864	$ -	$ 43,864
Operating Transfer from Other Funds				
Supplemental General	285,500	287,569	225,000	62,569
Total Cash Receipts	319,723	331,433	$ 225,000	$ 106,433
Expenditures				
Instruction	244,997	233,588	$ 283,500	$ (49,912)
Support Services				
Operations and Maintenance	73,702	80,114	92,500	(12,386)
Total Expenditures	318,699	313,702	$ 376,000	$ (62,298)
Receipts Over (Under) Expenditures	1,024	17,730		
Unencumbered Cash, Beginning	261,246	262,270		
Unencumbered Cash, Ending	$ 262,270	$ 280,000		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
KPERS SPECIAL RETIREMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
State Sources				
State Aid	$ 1,341,344	$ 1,298,880	$ 1,542,546	$ (243,666)
Total Cash Receipts	1,341,344	1,298,880	$ 1,542,546	$ (243,666)
Expenditures				
Instruction	818,354	792,447	$ 920,546	$ (128,099)
Support Services				
Student Support	34,338	33,251	46,000	(12,749)
Instructional Staff Support	34,607	33,511	46,000	(12,489)
General Administration	46,276	44,811	60,000	(15,189)
School Administration	96,845	93,779	110,000	(16,221)
Central Services	34,338	33,251	45,000	(11,749)
Operations and Maintenance	115,490	111,834	130,000	(18,166)
Trasnportation	94,565	91,571	110,000	(18,429)
Food Service	66,531	64,424	75,000	(10,576)
Total Expenditures	1,341,344	1,298,880	$ 1,542,546	$ (243,666)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
CONTINGENCY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Operating Transfer From Other Funds		
General	$ -	$ 245,000
Total Cash Receipts	-	245,000
Expenditures		
Instruction	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	245,000
Unencumbered Cash, Beginning	750,723	750,723
Unencumbered Cash, Ending	$ 750,723	$ 995,723

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
TEXTBOOK RENTAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Textbook rental	$ 30,971	$ 37,462
Total Cash Receipts	30,971	37,462
Expenditures		
Instruction	16,445	26,450
Total Expenditures	16,445	26,450
Receipts Over (Under) Expenditures	14,526	11,011
Unencumbered Cash, Beginning	274,305	288,830
Unencumbered Cash, Ending	$ 288,830	$ 299,842

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
TITLE I FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Federal aid	$ 370,303	$ 454,403
Total Cash Receipts	370,303	454,403
Expenditures		
Instruction	369,243	454,348
Support Services		
Instructional Staff Support	1,060	55
Total Expenditures	370,303	454,403
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
SAFE AND SUPPORTIVE SCHOOLS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Federal aid	$ -	$ -
Total Cash Receipts	-	-
Expenditures		
Support Services		
General Administration	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
TITLE II - A TEACHER QUALITY FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Federal aid	$ 48,573	$ 61,898
Total Cash Receipts	48,573	61,898
Expenditures		
Instruction	48,573	61,898
Total Expenditures	48,573	61,898
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
TITLE VII INDIAN EDUCATION FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Federal Aid	$ 96,516	$ 84,470
Total Cash Receipts	96,516	84,470
Expenditures		
Instruction	9,624	144,738
Support Service		
Transportation	9,935	-
Total Expenditures	19,559	144,738
Receipts Over (Under) Expenditures	76,957	(60,268)
Unencumbered Cash, Beginning	-	76,957
Unencumbered Cash, Ending	$ 76,957	$ 16,689

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
SECONDARY PROGRAM IMPROVEMENTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Carl Perkins grant	$ 579	$ 33,090
Carl Perkins equipment grant	-	59,500
Total Cash Receipts	579	92,590
Expenditures		
Instruction	6,980	7,730
Support Services		
Student Support	6,212	69,578
School Administration	1,800	1,910
Total Expenditures	14,992	79,217
Receipts Over (Under) Expenditures	(14,413)	13,373
Unencumbered Cash, Beginning	1,040	(13,373)
Unencumbered Cash, Ending	$ (13,373)	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
EMINT GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Awards		
Grant	$ 400	$ -
Total Cash Receipts	400	-
Expenditures		
Instruction	5,863	-
Total Expenditures	5,863	-
Receipts Over (Under) Expenditures	(5,463)	-
Unencumbered Cash, Beginning	5,463	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
21st CENTURY GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Child Care Fees	$ 1,339	$ 90
Federal Awards		
Grant	275,857	273,626
Total Cash Receipts	277,196	273,716
Expenditures		
Instruction	274,139	274,920
Food Service Operations	2,057	-
Total Expenditurs	276,196	274,920
Receipts Over (Under) Expenditures	1,000	(1,204)
Unencumbered Cash, Beginning	-	1,000
Unencumbered Cash, Ending	$ 1,000	$ (205)

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
TECHNOLOGY GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Gifts and Grants	$ 73,000	$ 20,238
Total Cash Receipts	73,000	20,238
Expenditures		
Instruction	21,183	-
Total Expenditures	21,183	-
Receipts Over (Under) Expenditures	$ 51,817	20,238
Unencumbered Cash, Beginning	(72,055)	(20,238)
Unencumbered Cash, Ending	$ (20,238)	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
ESSER FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Awards		
Grants	$ 1,312,562	$ 904,819
Total Cash Receipts	1,312,562	904,819
Expenditures		
Instruction	126,821	351,935
Support Services		
Student Support	2,037	-
Operations and Maintenance	579,865	35,719
Total Expenditures	708,722	387,655
Receipts Over (Under) Expenditures	603,840	517,164
Unencumbered Cash, Beginning	(1,121,004)	(517,164)
Unencumbered Cash, Ending	$ (517,164)	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
PRE-K PILOT GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
State Awards		
Grants	$ 43,870	$ 43,870
Federal Awards		
Grants	44,006	40,944
Total Cash Receipts	87,876	84,814
Expenditures		
Instruction	87,740	63,871
Total Expenditures	87,740	63,871
Receipts Over (Under) Expenditures	136	20,943
Unencumbered Cash, Beginning	(11,939)	(11,803)
Unencumbered Cash, Ending	$ (11,803)	$ 9,140

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
SAFE AND SECURE GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
State Awards Grant	$ -	$ 20,854
Total Cash Receipts	-	20,854
Expenditures		
Instruction	-	9,416
Total Expenditures	-	9,416
Receipts Over (Under) Expenditures	-	11,438
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 11,438

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
MENTAL HEALTH PROGRAM FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Grants	$ -	$ 43,716
State Awards		
Grant	66,797.00	-
Total Cash Receipts	66,797	43,716
Expenditures		
Instruction	64,830	43,716
Total Expenditures	64,830	43,716
Receipts Over (Under) Expenditures	1,967	-
Unencumbered Cash, Beginning	(1,967)	-
Unencumbered Cash, Ending	$ (0)	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
COVID TESTING FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Awards		
Grant	$ 1,430,174	$ 104,015
Total Cash Receipts	1,430,174	104,015
Expenditures		
Instruction	356,933	122,252
Total Expenditures	356,933	122,252
Receipts Over (Under) Expenditures	1,073,241	(18,237)
Unencumbered Cash, Beginning	(1,055,005)	18,237
Unencumbered Cash, Ending	$ 18,237	$ -

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
GIFTS AND GRANTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Grants	$ 95,900	$ -
Total Cash Receipts	95,900	-
Expenditures		
Instruction	1,812	583
Operating Transfer To Other Funds		
BGS Preschool	-	30,000
Total Expenditures	1,812	30,583
Receipts Over (Under) Expenditures	94,088	(30,583)
Unencumbered Cash, Beginning	7,282	101,370
Unencumbered Cash, Ending	$ 101,370	$ 70,787

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
BGS PRESCHOOL GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Grants	$ 32,076	$ 43,924
Operating Transfer From Other Funds		
Gifts and Grants	-	30,000
Total Cash Receipts	32,076	73,924
Expenditures		
Instruction	24,288	59,272
Total Expenditures	24,288	59,272
Receipts Over (Under) Expenditures	7,788	14,652
Unencumbered Cash, Beginning	-	7,788
Unencumbered Cash, Ending	$ 7,788	$ 22,440

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
YOUTH JOB TRAINING FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Grants	$ 60,000	$ 249,652
Total Cash Receipts	60,000	249,652
Expenditures		
Support Services	62,132	219,823
Total Expenditures	62,132	219,823
Receipts Over (Under) Expenditures	(2,132)	29,829
Unencumbered Cash, Beginning	-	(2,132)
Unencumbered Cash, Ending	$ (2,132)	$ 27,697

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
STRONGER CONNECTIONS GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Awards		
Grants	$ 131,044	$ 65,000
Total Cash Receipts	131,044	65,000
Expenditures		
Instruction	2,407	2,734
Total Expenditures	2,407	2,734
Receipts Over (Under) Expenditures	128,637	62,266
Unencumbered Cash, Beginning	-	128,637
Unencumbered Cash, Ending	$ 128,637	$ 190,903

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
PROJECT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Loan Proceeds	$ 1,550,000	$ -
Interest Income	21,615	1,875
Total Cash Receipts	1,571,615	1,875
Expenditures		
Facility Acquisition and Construction	1,531,115	1,646
Loan Fees	40,500	-
Transfer to Other Funds		
Capital Outlay	-	229
Total Expenditures	1,571,615	1,875
Receipts Over (Under) Expenditures	-	0
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 0

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Cash Receipts				
Local Sources				
Ad valorem tax	$ 296,704	$ 284,223	$ 270,779	$ 13,444
Delinquent tax	7,062	6,864	2,000	4,864
Motor vehicle tax	61,868	59,559	55,693	3,866
In Lieu Of	-	258	-	258
State Sources				
State aid	551,217	587,492	587,492	-
Total Cash Receipts	916,851	938,396	$ 915,964	$ 22,432
Expenditures				
Debt Service				
Principal	635,000	660,000	$ 660,000	$ -
Interest	37,216	23,130	23,130	-
Total Expenditures	672,216	683,130	$ 683,130	$ -
Receipts Over (Under) Expenditures	244,635	255,266		
Unencumbered Cash, Beginning	2,159,869	2,404,504		
Unencumbered Cash, Ending	$ 2,404,504	$ 2,659,770		

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
AGENCY FUNDS
Schedule of Receipts and Disbursements
Regulatory Basis
For the Fiscal Year Ended June 30, 2025

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
Agency Funds				
Student Organizations				
High School	$ 99,805	$ 242,374	$ 227,490	$ 114,689
Mound Valley	4,040	3,995	3,536	4,500
Meadow View	7,639	17,564	11,236	13,966
Altamont	1,316	10,262	8,787	2,791
Bartlett	16,673	4,587	3,492	17,767
Totals	$ 129,473	$ 278,781	$ 254,541	$ 153,713

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS
DISTRICT ACTIVITY FUNDS
Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances
Gate Receipts						
High School Athletics	$ 486	$ 101,706	$ 86,636	$ 15,556	$ -	$ 15,556
Junior High Athletics	3,342	14,895	16,105	2,132	-	2,132
Total District Activity Funds	$ 3,828	$ 116,601	$ 102,741	$ 17,688	$ -	$ 17,688

FEDERAL COMPLIANCE SECTION

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2025

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS THROUGH ENTITY GRANT ID	FEDERAL RECEIPTS	FEDERAL EXPENDITURES
United States Department of Agriculture				
Passed Through the State of Kansas Department of Education:				
Child Nutrition Cluster				
School Breakfast Program	10.553	N/A	$ 183,099	$ 183,099
National School Lunch Program	10.555	N/A	549,181	549,181
Summer Food Service Program	10.559	N/A	104,257	104,257
Fresh Fruits and Vegetables Program	10.582	N/A	37,777	37,777
Total Child Nutrition Cluster			874,314	874,314
Local Food for Schools (LFS) Cooperative	10.185	N/A	4,741	4,741
Distance Learning and Telemedicine Loans and Grants	10.855	N/A	20,238	-
Total United States Department of Agriculture			899,293	879,055
U.S. Department of Education				
Direct Program:				
Title VII - Indian Education	84.060	S060A230589	84,470	144,738
Passed Through the State of Kansas Department of Education:				
Title I	84.010A	N/A	396,283	396,283
Career and Technical Education Grants	84.048A	N/A	92,590	79,217
21st Century Community Learning Centers Grant	84.287C	N/A	273,626	274,920
Improving Teacher Quality State Grants	84.367A	N/A	61,898	61,898
ESSA-StudSpprt Academic Enrich FloThru	84.424A	N/A	58,120	58,120
Bipartisan Stronger Connections Grant	84.424F	N/A	65,000	2,734
COVID-19 Education Stabilization Fund	84.425U	N/A	904,819	387,655
			1,936,806	1,405,566
U.S. Department of Health and Human Services				
Passed Through the State of Kansas Department of Education:				
COVID-19 Epidemiology and Laboratory Capacity for Infections Diseases	93.323	N/A	104,015	122,252
Section 477 Cluster				
Temporary Assistance to Needy Families	93.558	N/A	40,944	40,944
			144,959	163,196
Total Expenditures of Federal Awards				$ 2,447,816

Notes:

1. The Schedule of Expenditures of Federal Awards has been prepared in accordance with the regulatory basis of accounting as set forth in the Kansas Municipal Audit and Accounting Guide. Under the regulatory basis of accounting, revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments of the District for future payments and are supported by a document evidencing the commitment, such as purchas order or contract.

2. The District did not elect to use the 10% de minimis indirect cost rate.

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2025

Finding 2025-001 and 2024-001 Drafting Financial Statements

Condition: The District's auditors, provide significant assistance with preparing their financial statement in the regulatory basis format as well as determining which disclosures are required.

Recommendation: None

Current Status: The District continues to rely on their auditors to assist in preparing the financial statement and disclosures. The District periodically reviews the situation. The District continues to believe this is the most cost-effective way to produce their financial statement. This remains a current year audit finding.

D B B

D B B INC.
Certified Public Accountants

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

Board of Education
Unified School District #506
Altamont, Kansas

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the regulatory basis financial statement and related notes to the regulatory basis financial statement of Unified School District #506 as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated March 3, 2026.

Internal Control Over Financial Reporting
In planning and performing our audit of the regulatory basis financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstance for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 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 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 have not been 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 item 2025-001 that we consider to be significant deficiencies.

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

We noted certain other matters that we reported to Management of the District in a separate letter dated March 3, 2026.

District's Response to Findings
Government Auditing Standards, require the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District'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 organization'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 organization's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

DBB Inc.

DBB Inc.

March 3, 2026
Fort Scott, Kansas

D B B

D B B INC.
Certified Public Accountants

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

Board of Education
Altamont Unified School District #506
Altamont, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Unified School District #506's (District) 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 the District's major federal programs for the year ended June 30, 2025. Unified District #506'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, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

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 the District 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 the District'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 the District'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 the District'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 the District'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 the District'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 the District'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 the District'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 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.

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.

DBB Inc.

DBB Inc.

March 3, 2026
Fort Scott, Kansas

UNIFIED SCHOOL DISTRICT #506
ALTAMONT, KANSAS

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS:

Type of auditors' report issued:

- Adverse for departures from accounting principles generally accepted in the United States of America due to preparation of financial statements in accordance with the statutory basis of accounting.
- Unqualified opinion on the regulatory basis financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? _ *YES* _X_ *NO*
- Significant deficiency(ies) identified that are not considered to be material weaknesses? NONE _X_ *YES* _ *REPORTED*

Noncompliance material to financial statements noted? _ *YES* _X_ *NO*

FEDERAL AWARDS:

Internal control over major programs:

- Material weakness(es) identified? _ *YES* _X_ *NO*
- Significant deficiency (ies) identified that are not considered to be material weaknesses? NONE _ *YES* _X_ *REPORTED*

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of the Uniform Guidance? _ *YES* _X_ *NO*

IDENTIFICATION OF MAJOR PROGRAMS:

ASSISTANCE LISTING #	NAME OF PROGRAM
10.553, 10.555, 10.559, & 10.582	Child Nutrition Cluster
84.425	Education Stabilization Fund Under CARES Act

The dollar threshold to distinguish between Type A and Type B programs was $750,000.

Auditee qualified as low-risk auditee? _ *YES* _X_ *NO*

SECTION II - FINANCIAL STATEMENT FINDINGS

Significant Deficiency
2025-001 Drafting Financial Statements

Condition: As auditors, we provide significant assistance with adjusting entries, as well as assistance with determining which disclosures are required under generally accepted accounting standards and the regulatory basis of accounting. This is a repeat finding from June 30, 2024, and was identified in that report as 2024-001.

Criteria: Internal controls should be in place that provide a reasonable assurance that the financial statements are appropriate in form and contain the required disclosures.

Cause: Relying upon the independent auditors is a significant deficiency in internal controls as they are not considered part of the District's internal control.

Effect: The District relies on independent auditors to determine the financial statements are in the correct form and include the proper disclosures.

Recommendation: None

Response: The District agrees with the finding. The District's response is in the attached Corrective Action Plan.

UNIFIED SCHOOL DISTRICT #506

June 30, 2025 Financial Statements

Corrective Action Plan

Audit Finding 2025-001

USD #506 has always relied upon its auditors to provide significant assistance with adjusting entries and with determining which disclosures were required under generally accepted accounting principles and the regulatory basis of accounting. While USD #506 understands that this is a significant deficiency in our internal controls, we believe it is the most cost effective manner for us to produce our financial statements. Our accounting staff concentrate on providing the reports needed for management purposes and preparing the required reports for the Kansas Department of Education. We believe it would be inefficient and cost prohibitive for our staff to attempt to stay current on all the requirements of the regulatory basis of accounting. We do not plan on making any changes at this time. However, we will monitor this situation and periodically determine if it is cost effective for us to perform these functions.