SSC CPAs, P.A.

UNIFIED SCHOOL DISTRICT NO. 272

FINANCIAL STATEMENT WITH
SUPPLEMENTARY INFORMATION
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2023

Table of Contents

	Page Number
Independent Auditor's Report	1 - 4
STATEMENT 1:	
Summary Statement of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)	5 - 6
Notes to the Financial Statement	7 - 14
SCHEDULE 1:	
Summary of Expenditures – Actual and Budget (Regulatory Basis)	15
SCHEDULE 2:	
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)	
General Fund	16
Supplemental General Fund	17
Capital Outlay Fund	18
Driver Training Fund	19
Food Service Fund	20
Professional Development Fund	21
Bilingual Education Fund	22
Special Education Fund	23
Career and Postsecondary Education Fund	24
At Risk (4-Year Old) Fund	25
At Risk (K-12) Fund	26
KPERS Special Retirement Contribution Fund	27
Contingency Reserve Fund	28
Textbook Rental Fund	29
Gifts and Grants Fund	30
REAP Grant Fund	31
Elementary & Secondary School Emergency Relief I Fund	32
Elementary & Secondary School Emergency Relief II Fund	33
Elementary & Secondary School Emergency Relief III Fund	34
KDHE Grant Fund	35
Title I Fund	36
Title II-A Fund	37
Title IV-A Fund	38
Childcare Center Fund	39
Clean School Bus EPA Fund	40
Gloria Garey Memorial Fund	41

Table of Contents

	Page Number
SCHEDULE 3:	
Summary of Receipts and Disbursements (Regulatory Basis)	
Agency Funds	42
SCHEDULE 4:	
Schedule of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)	
District Activity Funds	43
SINGLE AUDIT SECTION:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	44 - 45
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	46 - 48
Schedule of Findings and Questioned Costs	49 - 51
Summary Schedule of Prior Year Audit Findings	52
OTHER INFORMATION:	
Schedule of Expenditures of Federal Awards	53
Notes to Schedule of Expenditures of Federal Awards	54

SSC CPAs, P.A.

Independent Auditor's Report

To the Board of Education
Unified School District No. 272
Cawker City, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 272, Cawker City, Kansas, as of and for the year ended June 30, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 272, as of June 30, 2023 or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 272, as of June 30, 2023, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide.* Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of 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 2 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 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 2; 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 judgement, 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, summary of regulatory basis receipts and disbursements – agency funds, and schedule of receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 272 as of and for the year ended June 30, 2022 (not presented herein), and have issued our report thereon dated January 29, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://www.admin.ks.gov/accounts-reports/local-governments/municipal-services. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2023 (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 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2022, on the basis of accounting described in Note 2.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information financial statement itself, and other additional procedures in accordance with auditing standards general accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statement as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2024 on our consideration of the Unified School District No. 272's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Unified School District No. 272's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District No. 272's internal control over financial reporting and compliance.

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas

July 30, 2024

UNIFIED SCHOOL DISTRICT NO. 272
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

STATEMENT 1

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ -	$ 218	$3,214,806	$ 3,214,806	$ 218	$ 26	$ 244
Supplemental General	111,624	-	968,447	995,260	84,811	-	84,811
Special Purpose Funds:							
Capital Outlay	875,991	-	346,320	307,433	914,878	-	914,878
Driver Training	19,499	-	5,907	5,500	19,906	-	19,906
Food Service	67,958	-	310,929	275,384	103,503	-	103,503
Professional Development	11,029	-	32,202	22,815	20,416	304	20,720
Bilingual Education	650		597	-	1,247	-	1,247
Special Education	109,545	-	713,913	650,082	173,376	-	173,376
Career and Postsecondary Education	62,415	-	113,346	68,188	107,573	-	107,573
At Risk (4-Year Old)	138,470	-	6,611	81	145,000	-	145,000
At Risk (K-12)	133,593	-	455,015	453,307	135,301	-	135,301
KPERS Special Retirement Contribution	-	-	284,872	282,873	1,999	-	1,999
Contingency Reserve	248,661	-	406,940	-	655,601	-	655,601
Textbook Rental	1,110	-	-	-	1,110	-	1,110
Gifts and Grants	21,908	-	189,331	174,925	36,314	-	36,314
REAP Grant	-	-	-	5,902	(5,902)	-	(5,902)
Elementary & Secondary School Emergency Relief I	17,242	9	17,707	26,537	8,421	-	8,421
Elementary & Secondary School Emergency Relief II	(13,686)	-	85,499	94,679	(22,866)	-	(22,866)
Elementary & Secondary School Emergency Relief III	(46,412)	-	195,345	173,753	(24,820)	-	(24,820)
KDHE Grant	7,622	-	222,393	280,920	(50,905)	10,400	(40,505)

UNIFIED SCHOOL DISTRICT NO. 272
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

STATEMENT 1

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Special Purpose Funds:							
Title I	$ -	$ -	$ 63,845	$ 63,845	$ -	$ -	$ -
Title II-A	-	-	8,083	12,106	(4,023)	-	(4,023)
Title IV-A	-	-	11,177	13,466	(2,289)	-	(2,289)
Childcare Center	137,720	-	181,317	229,438	89,599	186	89,785
Clean School Bus EPA Fund	-	-	-	1,579,956	(1,579,956)	1,579,956	-
District Activity Funds	15,406	-	114,063	111,794	17,675	-	17,675
Trust Fund:							
Gloria Garey Memorial	8,165	-	75	505	7,735	-	7,735
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)	$ 1,928,510	$ 227	$7,947,740	$ 9,042,555	$ 833,922	$ 1,590,872	$ 2,424,794

COMPOSITION OF CASH:	
Checking and Savings Accounts	$ 945,252
Money Market Account	881,198
Certificates of Deposit	663,197
Total Cash	2,489,647
Agency Funds per Schedule 3	(64,853)
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)	$ 2,424,794

1. REPORTING ENTITY

Unified School District No. 272 (the District) is a municipal corporation governed by a citizen elected seven-member Board of Education.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Fund Descriptions. The following types of funds comprise the financial activities of the District for the year ended June 30, 2023:

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

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

Trust Fund – Used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

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

3. BUDGETARY INFORMATION

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

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

If the District is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The District held a revenue neutral rate hearing for the 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. There were no such budget amendments for this year.

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

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

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

Contingency Reserve Fund
REAP Grant Fund
Title IV-A Fund
Title II-A Fund
Title I Fund
District Activity Funds
Gifts and Grants Fund
Textbook Rental Fund
Childcare Center Fund
KDHE Grant Fund
Elementary & Secondary Relief I Fund
Elementary & Secondary Relief II Fund
Elementary & Secondary Relief III Fund
Clean School Bus EPA Fund

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.

4. 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 deposits 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 District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated a "peak period." All deposits were legally secured at June 30, 2023.

At June 30, 2023, the District's carrying amount of deposits was $2,489,647 and the bank balance was $2,987,877. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $502,628 was covered by federal depository insurance, $2,031,012 was collateralized with securities held by the pledging financial institutions' agents in the District's name, $425,353 was secured with irrevocable letters of credit issued by the Federal Home Loan Bank of Topeka, and the remaining $28,884 was unsecured.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Special Education Fund	K.S.A. 72-5167	$ 330,593
General Fund	At Risk Fund (K-12) Fund	K.S.A. 72-5167	352,789
General Fund	Career and Post Secondary Education Fund	K.S.A. 72-5167	25,000
General Fund	Contingency Reserve Fund	K.S.A 72-5167	406,940
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	60,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	292,415
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	10,000
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5143	88,346
Supplemental General Fund	At Risk Fund (4-Year Old) Fund	K.S.A 72-5143	6,611
Supplemental General Fund	At Risk Fund (K-12) Fund	K.S.A. 72-5143	102,226
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	597

6. DEFINED BENEFIT 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

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

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

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

In 2021, the Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for Fiscal years 2022 and 2023. Fiscal Year 2022 was recertified from 14.09% to 13.33% and Fiscal Year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021. The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of cost for retried District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $282,873 for the year ended June 30, 2023.

Net Pension Liability

At June 30, 2023, the District's proportionate share of the net pension liability reported by KPERS was $2,660,522. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2022. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2023.

Termination Benefits. Upon retirement or death, classified and certified employees receive reimbursement for unused sick leave with the following limitations and requirements:

1. The employee must have worked in the District for a minimum of 10 years.
2. The employee must be age 60 or older or obtain 85 points towards retirement as specified under KPERS regulations to receive payment for unused sick leave as a retirement benefit. Age or point requirement is waived if an employee should die while employed by the District.
3. The District will reimburse the employee for a maximum of 60 sick leave days if that many days have been accumulated by the employee.
4. The employee will be reimbursed $25 per day of accumulated leave up to the maximum number of days as stated in item 3 above.
5. In the event of death, payment will be made to the employee's KPERS beneficiary.

Compensated Absences. The District provides compensation for absences. Classified full-time employees who are employed on a twelve-month basis earn vacation leave. Employees with ten years or less of continued employment with the District will accrue vacation leave at the rate of 6.66 hours each month. Employees with more than ten years continuous employment with the District will accrue vacation leave at the rate of 10 hours each month. Vacation time accrued may not exceed 450 hours.

Classified full-time employees earn 10 days of discretionary leave per year cumulative to 90 days, and anyone hired after April 1, 2011 may not exceed the maximum number of 60 days. If at the end of the school year an employee has nine days of discretionary leave remaining from the ten they earned during the year, that employee may convert three days of sick leave to personal leave; if eight sick days are left, then two sick days may be converted to personal leave; and if seven sick days are left, then one day may be converted to personal leave. Full time employees may accumulate no more than five personal days. Discretionary leave may also be added to an employee's sick leave bank at the end of the year. If at least five days are converted to their sick leave bank up to a maximum of 60 days, an employee may cash out the remaining discretionary leave days not used during the year at a rate of $25 per day.

Classified employees will be granted three days of personal leave per year cumulative to a maximum of five days.

Certified full-time employees earn 10 days of discretionary leave per year cumulative to 90 days, and anyone hired after April 1, 2011 may not exceed the maximum number 60 days. If at the end of the school year an employee has nine days of discretionary leave remaining from the ten they earned during the year, that employee may convert three days of sick leave to personal leave; if eight sick days are left, then two sick days may be converted to personal leave; and if seven sick days are left, then one day may be converted to personal leave. Full-time employees may accumulate no more than five personal days. Discretionary leave may also be added to an employee's sick leave bank at the end of the year. If at least five days are converted to their sick leave bank up to a maximum of 60 days, an employee may cash out the remaining discretionary leave days not used during the year at a rate of $25 per day.

Certified employees will be granted three days of personal leave per year cumulative to a maximum of five days.

8. RISKS AND UNCERTAINTIES

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance to protect themselves from these risks.

9. RELATED PARTIES

During the year ended June 30, 2023, the District employed immediate family members of a District board member and one directly related to the superintendent.

10. COMPLIANCE WITH KANSAS STATUTES

The unencumbered cash in the Elementary & Secondary School Emergency Relief II Fund, Elementary & Secondary School Emergency Relief III Fund, KDHE Grant Fund, REAP Grant Fund, Clean School Bus EPA Fund, Title II-A Fund and Title IV-A Fund held negative balances. All aforementioned funds receive funding on a reimbursement basis. The District expensed a total $1,690,761 in these funds during the year ended June 30, 2023 and the reimbursement was not received until the subsequent year. The negative balances were caused by the timing of the reimbursement and therefore, are in compliance with Kansas Statutes.

The unencumbered cash in the payroll clearing fund noted in Schedule 3 of the supplemental schedules has a negative ending balance of $5,438. K.S.A. 10-1113 states that expenditures should be made in compliance with cash basis law which requires that no indebtedness be created in excess of the amount of funds actually on hand. The payroll clearing fund is in noncompliance with the Kansas Statute.

As noted in Note 4, there was unsecured cash in the amount of $28,884. The unsecured balance is not in compliance with K.S.A. 9-1402.

11. SUBSEQUENT EVENTS

The District's management has evaluated events and transactions occurring after June 30, 2023 through July 30, 2024. The aforementioned date represents the date the financial statement was available to be issued.

12. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2023, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Finance/Capital Lease									
Building Addition	3.50%	9/27/2017	$ 645,000	9/1/2027	$ 420,000	$ -	$ 65,000	$ 355,000	$ 13,563

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

	Year					
	2024	2025	2026	2027	2028	Total
Principal:						
Finance/Capital Lease	$ 65,000	$ 70,000	$ 70,000	$ 75,000	$ 75,000	$ 355,000
Interest:						
Finance/Capital Lease	11,288	8,925	6,475	3,937	1,313	31,938
Total Principal and Interest	$ 76,288	$ 78,925	$ 76,475	$ 78,937	$ 76,313	$ 386,938

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 272
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 1

Fund	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:						
General	$ 3,173,161	$ (26,169)	$ 67,814	$ 3,214,806	$ 3,214,806	$ -
Supplemental General	995,260	-	-	995,260	995,260	-
Special Purpose Funds:						
Capital Outlay	1,194,000	-	-	1,194,000	307,433	(886,567)
Driver Training	21,000	-	-	21,000	5,500	(15,500)
Food Service	347,585	-	-	347,585	275,384	(72,201)
Professional Development	36,933	-	-	36,933	22,815	(14,118)
Bilingual Education	1,745	-	-	1,745	-	(1,745)
Special Education	780,305	-	-	780,305	650,082	(130,223)
Career and Postsecondary Education	143,181	-	-	143,181	68,188	(74,993)
At Risk (4-Year Old)	193,947	-	-	193,947	81	(193,866)
At Risk (K-12)	518,500	-	-	518,500	453,307	(65,193)
KPERS Special Retirement Contribution	301,605	-	-	301,605	282,873	(18,732)

UNIFIED SCHOOL DISTRICT NO. 272
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
General State Aid	$ 2,450,896	$ 2,819,342	$ 2,740,871	$ 78,471
Special Education Services Aid	344,876	327,650	432,290	(104,640)
Federal Aid	44,187	-	-	-
Reimbursements and Other	145,226	67,814	-	67,814
Total Receipts	2,985,185	3,214,806	$ 3,173,161	$ 41,645
Expenditures				
Instruction	1,176,446	859,661	$ 1,218,030	$ (358,369)
Student Support Services	91,832	122,449	117,892	4,557
Instructional Support Staff	1,087	1,158	3,196	(2,038)
General Administration	213,396	230,410	220,003	10,407
School Administration	234,814	301,483	246,131	55,352
Central Services	28,702	38,537	29,850	8,687
Operations and Maintenance	301,737	373,312	310,429	62,883
Transportation Service	157,102	172,474	166,268	6,206
Operating Transfers	780,069	1,115,322	861,362	253,960
Adjustment to Comply with Legal Max	-	-	(26,169)	26,169
Legal General Fund Budget	2,985,185	3,214,806	3,146,992	67,814
Adjustment for Qualifying Budget Credits	-	-	67,814	(67,814)
Total Expenditures	2,985,185	3,214,806	$ 3,214,806	$ -
Receipts Over (Under) Expenditures	-	-		
Prior year canceled encumbrances	-	218		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 218		

UNIFIED SCHOOL DISTRICT NO. 272
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	$ 753,499	$ 780,688	$ 703,335	$ 77,353
Delinquent Tax	16,848	10,385	4,861	5,524
Motor Vehicle Tax	61,709	65,262	66,776	(1,514)
Recreational Vehicle Tax	2,070	4,013	1,266	2,747
Commerical Vehicle Tax	4,140	5,090	4,390	700
State Aid:				
Supplemental General State Aid	77,837	103,009	103,009	-
Total Receipts	916,103	968,447	$ 883,637	$ 84,810
Expenditures				
Instruction	344,414	404,546	$ 358,999	$ 45,547
Student Support Services	30,091	-	32,486	(32,486)
General Administration	24,742	-	25,732	(25,732)
School Administration	50,248	-	52,258	(52,258)
Central Services	5,961	-	6,198	(6,198)
Operations and Maintenance	67,969	30,519	70,691	(40,172)
Student Transportation Services	21,641	-	22,507	(22,507)
Operating Transfers	357,914	560,195	426,389	133,806
Total Expenditures	902,980	995,260	$ 995,260	$ -
Receipts Over (Under) Expenditures	13,123	(26,813)		
Unencumbered Cash, Beginning	98,501	111,624		
Unencumbered Cash, Ending	$ 111,624	$ 84,811		

UNIFIED SCHOOL DISTRICT NO. 272
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Ad Valorem Property Tax	$ 302,010	$ 310,136	$ 286,738	$ 23,398
Delinquent	5,572	3,948	1,940	2,008
Motor Vehicle Tax	28,519	28,285	28,977	(692)
Recreational Vehicle Tax	1,010	1,643	549	1,094
Commerical Vehicle Tax	2,191	2,308	1,904	404
Total Receipts	339,302	346,320	$ 320,108	$ 26,212
Expenditures				
Instruction	-	3,277	$ 4,000	$ (723)
General Administration	200	150	10,000	(9,850)
Operations and Maintenance	-	65,745	255,000	(189,255)
Transportation	42,200	88,179	-	88,179
Facility Acquisition and Construction	17,573	56,437	925,000	(868,563)
Lease Payment	90,833	93,645	-	93,645
Total Expenditures	150,806	307,433	$ 1,194,000	$ (886,567)
Receipts Over (Under) Expenditures	188,496	38,887		
Unencumbered Cash, Beginning	687,495	875,991		
Unencumbered Cash, Ending	$ 875,991	$ 914,878		

UNIFIED SCHOOL DISTRICT NO. 272
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
State Safety Aid	$ 1,708	$ 2,240	$ 2,025	$ 215
Local Sources	4,152	3,667	-	3,667
Total Receipts	5,860	5,907	$ 2,025	$ 3,882
Expenditures				
Operations and Maintenance	4,436	5,500	$ 21,000	$ (15,500)
Receipts Over (Under) Expenditures	1,424	407		
Unencumbered Cash, Beginning	18,075	19,499		
Unencumbered Cash, Ending	$ 19,499	$ 19,906		

UNIFIED SCHOOL DISTRICT NO. 272
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
School Food Assistance	$ 1,520	$ 1,642	$ 1,308	$ 334
Federal Aid:				
Child Nutrition Programs	234,074	166,800	128,151	38,649
Local Receipts	10,327	82,487	81,125	1,362
Operating Transfers	51,264	60,000	70,000	(10,000)
Total Receipts	297,185	310,929	$ 280,584	$ 30,345
Expenditures				
Food Service Operation	291,229	275,384	$ 347,585	$ (72,201)
Receipts Over (Under) Expenditures	5,956	35,545		
Unencumbered Cash, Beginning	62,002	67,958		
Unencumbered Cash, Ending	$ 67,958	$ 103,503		

UNIFIED SCHOOL DISTRICT NO. 272
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ -	$ 21,014	$ 4,760	$ 16,254
Local Receipts	-	1,188	-	1,188
Operating Transfers	21,575	10,000	22,000	(12,000)
Total Receipts	21,575	32,202	$ 26,760	$ 5,442
Expenditures				
Instructional Support Staff	12,436	22,429	$ 12,933	$ 9,496
Other Support Services	-	386	24,000	(23,614)
Total Expenditures	12,436	22,815	$ 36,933	$ (14,118)
Receipts Over (Under) Expenditures	9,139	9,387		
Unencumbered Cash, Beginning	1,890	11,029		
Unencumbered Cash, Ending	$ 11,029	$ 20,416		

UNIFIED SCHOOL DISTRICT NO. 272
BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 650	$ 597	$ 1,095	$ (498)
Expenditures				
Instructional	-	-	$ 1,745	$ (1,745)
Receipts Over (Under) Expenditures	650	597		
Unencumbered Cash, Beginning	-	650		
Unencumbered Cash, Ending	$ 650	$ 1,247		

UNIFIED SCHOOL DISTRICT NO. 272
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

Schedule 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Reimbursements and Other	$ 19,216	$ 66,182	$ -	$ 66,182
Operating Transfers	609,876	623,008	671,410	(48,402)
Interest	11,625	24,723	-	24,723
Total Receipts	640,717	713,913	$ 671,410	$ 42,503
Expenditures				
Instruction	620,102	635,806	$ 676,266	$ (40,460)
Transportation Service	20,401	14,276	104,039	(89,763)
Total Expenditures	640,503	650,082	$ 780,305	$ (130,223)
Receipts Over (Under) Expenditures	214	63,831		
Unencumbered Cash, Beginning	109,331	109,545		
Unencumbered Cash, Ending	$ 109,545	$ 173,376		

UNIFIED SCHOOL DISTRICT NO. 272
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 90,000	$ 113,346	$ 81,000	$ 32,346
Expenditures				
Instruction	117,439	68,188	$ 143,181	$ (74,993)
Receipts Over (Under) Expenditures	(27,439)	45,158		
Unencumbered Cash, Beginning	89,854	62,415		
Unencumbered Cash, Ending	$ 62,415	$ 107,573		

UNIFIED SCHOOL DISTRICT NO. 272
AT RISK (4-YEAR OLD) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Federal Aid:				
Local Sources	$ 40,722	$ -	$ -	$ -
Operating Transfers	54,730	6,611	56,500	(49,889)
Total Receipts	95,452	6,611	$ 56,500	$ (49,889)
Expenditures				
Instruction	64,242	81	$ 66,947	$ (66,866)
Transportation Services	129	-	127,000	(127,000)
Total Expenditures	64,371	81	$ 193,947	$ (193,866)
Receipts Over (Under) Expenditures	31,081	6,530		
Unencumbered Cash, Beginning	107,389	138,470		
Unencumbered Cash, Ending	$ 138,470	$ 145,000		

UNIFIED SCHOOL DISTRICT NO. 272
AT RISK (K-12) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 309,888	$ 455,015	$ 385,746	$ 69,269
Expenditures				
Instruction	227,569	453,307	$ 518,500	$ (65,193)
Receipts Over (Under) Expenditures	82,319	1,708		
Unencumbered Cash, Beginning	51,274	133,593		
Unencumbered Cash, Ending	$ 133,593	$ 135,301		

UNIFIED SCHOOL DISTRICT NO. 272
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 274,186	$ 284,872	$ 301,605	$ (16,733)
Expenditures				
KPERS Retirement	274,186	282,873	$ 301,605	$ (18,732)
Receipts Over (Under) Expenditures	-	1,999		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 1,999		

UNIFIED SCHOOL DISTRICT NO. 272
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers	$ -	$ 406,940
Expenditures		
Operations and Maintenance	-	-
Receipts Over (Under) Expenditures	-	406,940
Unencumbered Cash, Beginning	248,661	248,661
Unencumbered Cash, Ending	$ 248,661	$ 655,601

UNIFIED SCHOOL DISTRICT NO. 272
TEXTBOOK RENTAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Rental Fees	$ -	$ -
Expenditures		
Instruction	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	1,110	1,110
Unencumbered Cash, Ending	$ 1,110	$ 1,110

UNIFIED SCHOOL DISTRICT NO. 272
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Contributions and Donations	$ 38,502	$ 55,701
State Aid	39,057	133,630
Total Receipts	77,559	189,331
Expenditures		
Instruction	98,899	174,925
Receipts Over (Under) Expenditures	(21,340)	14,406
Unencumbered Cash, Beginning	43,248	21,908
Unencumbered Cash, Ending	$ 21,908	$ 36,314

UNIFIED SCHOOL DISTRICT NO. 272
REAP GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 13,678	$ -
Expenditures		
Other	13,678	5,902
Receipts Over (Under) Expenditures	-	(5,902)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (5,902)

UNIFIED SCHOOL DISTRICT NO. 272
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF I FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 5,501	$ 17,707
Expenditures		
Instruction	47,968	26,537
Receipts Over (Under) Expenditures	(42,467)	(8,830)
Prior year canceled encumbrance	-	9
Unencumbered Cash, Beginning	59,709	17,242
Unencumbered Cash, Ending	$ 17,242	$ 8,421

UNIFIED SCHOOL DISTRICT NO. 272
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF II FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 119,001	$ 85,499
Expenditures		
Instruction	110,641	93,140
Vehicle Operating Services	22,046	1,539
Total Expenditures	132,687	94,679
Receipts Over (Under) Expenditures	(13,686)	(9,180)
Unencumbered Cash, Beginning	-	(13,686)
Unencumbered Cash, Ending	$ (13,686)	$ (22,866)

UNIFIED SCHOOL DISTRICT NO. 272
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF III FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ -	$ 195,345
Expenditures		
Instruction	46,412	173,753
Receipts Over (Under) Expenditures	(46,412)	21,592
Unencumbered Cash, Beginning	-	(46,412)
Unencumbered Cash, Ending	$ (46,412)	$ (24,820)

UNIFIED SCHOOL DISTRICT NO. 272
KDHE GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 373,812	$ 222,393
Expenditures		
Instruction	250,633	142,033
Student Support Services	11,836	2,117
School Administration	62,344	1,512
Operations & Maintenance	5,115	-
Vehicle Operating Services	10,822	41,317
Building Improvements	25,440	93,941
Total Expenditures	366,190	280,920
Receipts Over (Under) Expenditures	7,622	(58,527)
Unencumbered Cash, Beginning	-	7,622
Unencumbered Cash, Ending	$ 7,622	$ (50,905)

UNIFIED SCHOOL DISTRICT NO. 272
TITLE I FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid:		
Grants to Local Education Agencies	$ 69,768	$ 63,845
Expenditures		
Instruction	69,768	63,845
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 272
TITLE II-A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 13,758	$ 8,083
Expenditures		
Instruction	13,758	12,106
Receipts Over (Under) Expenditures	-	(4,023)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (4,023)

UNIFIED SCHOOL DISTRICT NO. 272
TITLE IV-A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 13,379	$ 11,177
Expenditures		
Instruction	13,379	13,466
Receipts Over (Under) Expenditures	-	(2,289)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (2,289)

UNIFIED SCHOOL DISTRICT NO. 272
CHILDCARE CENTER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Gifts and Grants	$ 137,720	$ 31,967
Tuition and fees	-	145,850
Other Local Receipts	-	3,500
Total Receipts	137,720	181,317
Expenditures		
Building Improvements	-	229,438
Receipts Over (Under) Expenditures	137,720	(48,121)
Unencumbered Cash, Beginning	-	137,720
Unencumbered Cash, Ending	$ 137,720	$ 89,599

UNIFIED SCHOOL DISTRICT NO. 272
CLEAN SCHOOL BUS EPA FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ -	$ -
Expenditures		
Electric Buses	-	1,579,956
Receipts Over (Under) Expenditures	-	(1,579,956)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (1,579,956)

UNIFIED SCHOOL DISTRICT NO. 272
GLORIA GAREY MEMORIAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2022)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Interest on Idle Funds	$ 22	$ 75
Expenditures		
Scholarships	505	505
Receipts Over (Under) Expenditures	(483)	(430)
Unencumbered Cash, Beginning	8,648	8,165
Unencumbered Cash, Ending	$ 8,165	$ 7,735

UNIFIED SCHOOL DISTRICT NO. 272
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 3

Agency Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organization Funds				
Lakeside Jr/Sr High School				
Forensics	$ 65	$ -	$ -	$ 65
All School Play	748	527	619	656
Honor Society	83	-	-	83
Football and Basketball	2,595	925	1,966	1,554
Volleyball	1,753	142	400	1,495
Girls Basketball	573	-	512	61
Seniors	5,106	21,577	26,653	30
Juniors	9,703	6,438	9,485	6,656
Sophomores	5,022	10,246	5,514	9,754
Freshman	5,339	24,681	22,194	7,826
8th Grade	279	1,392	804	867
7th Grade	293	596	-	889
6th Grade	293	304	-	597
Junior High Concessions	-	3,048	3,048	-
STUCO	979	4,624	3,883	1,720
Band	465	39	62	442
Band Rental	1,579	1,648	1,027	2,200
Dance Team	871	1,134	1,419	586
Video Broadcast	109	69	32	146
Cheerleaders	1,849	4,555	4,913	1,491
Junior High Cheerleaders	2,390	-	2,161	229
Milton Zimmerman	-	250	200	50
FCCLA	2,459	1,803	2,122	2,140
Graphic Design	50	333	93	290
FFA	12,137	11,097	10,867	12,367
Bessie Addison Scholarship	15,477	2,575	1,000	17,052
Subtotal Lakeside Jr/Sr High School	70,217	98,003	98,974	69,246
Lakeside Elementary School				
Band	1,473	933	1,361	1,045
Total Student Organization Funds	71,690	98,936	100,335	70,291
Payroll Clearing	89,268	638,424	733,130	(5,438)
TOTAL AGENCY FUNDS	$ 160,958	$ 737,360	$ 833,465	$ 64,853

UNIFIED SCHOOL DISTRICT NO. 272
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE 4

District Activity Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Ending Cash Balance
Gate Receipts					
High School Athletics	$ 1,987	$ 19,172	$ 20,378	$ 781	$ 781
Elementary Athletic	310	-	-	310	310
Total Gate Receipts	2,297	19,172	20,378	1,091	1,091
School Projects					
Lakeside Jr/Sr High School					
Chromebook	5,053	1,950	-	7,003	7,003
Yearbook	6,345	9,502	8,612	7,235	7,235
Lakeside Elementary School					
Lakeside Elementary Playground	1,711	635	-	2,346	2,346
Total School Projects	13,109	12,087	8,612	16,584	16,584
Revolving Funds					
Lakeside Jr/Sr High School	-	46,293	46,293	-	-
Lakeside Elementary School	-	36,511	36,511	-	-
Total Revolving Funds	-	82,804	82,804	-	-
Total District Activity Funds	$ 15,406	$ 114,063	$ 111,794	$ 17,675	$ 17,675

UNIFIED SCHOOL DISTRICT NO. 272

SINGLE AUDIT SECTION

JUNE 30, 2023

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

To the Board of Education of Unified School District No. 272:

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide,* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Unified School District No. 272 (District), as of and for the year ended June 30, 2023, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated July 30, 2024. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District No. 272's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 272's internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District No. 272's internal control.

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

Our consideration of the 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. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 272's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

Unified School District No. 272's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Unified School District No. 272's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Unified School District No. 272'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 Unified School District No. 272's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District No. 272's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas

July 30, 2024

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

To the Board of Education of Unified School District No. 272:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 272's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Unified School District No. 272's major federal programs for the year ended June 30, 2023. Unified School District No. 272's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Unified School District No. 272 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Unified School District No. 272 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Unified School District No. 272's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Unified School District No. 272's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Unified School District No. 272'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 judgement made by a reasonable user of the report on compliance about Unified School District's No. 272's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Unified School District No. 272's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Unified School District No. 272's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 272's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2023-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Unified School District No. 272's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Unified School District No. 272's response was not subject to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned

functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a material weakness.

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

Government Auditing Standards requires the auditor to perform limited procedures on Unified School District No. 272's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Unified School District No. 272's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas

July 30, 2024

UNIFIED SCHOOL DISTRICT NO. 272
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDITORS RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statement of Unified School District No. 272 was prepared on the regulatory basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

2. One material weakness was identified and no significant deficiencies were reported in the design or operation of internal control over financial reporting.

3. No instances of noncompliance material to the financial statement of Unified School District No. 272, which would be required to be reported in accordance with *Government Auditing Standards,* were disclosed during the audit.

4. One material weakness was identified and no significant deficiencies were reported during the audit of the major federal award program.

5. The auditor's report on compliance for each major federal program for Unified School District No. 272 expresses an unmodified opinion on all major federal programs.

6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.

7. The programs tested as major program was: Clean School Bus Program, Assistance Listing Number 66.045.

8. The threshold for distinguishing Type A and Type B programs was $750,000 for major Federal programs.

9. Unified School District No. 272 was determined to not be a low-risk auditee.

UNIFIED SCHOOL DISTRICT NO. 272
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINDINGS – FINANCIAL STATEMENT

2023-001 Internal Control over Financial Statement presentation (Material Weakness)

Criteria: The financial statement is the responsibility of management. As such, the District's internal control over the financial statement should identify misstatements on a timely basis.

Condition: During the course of our audit, we noted that the bank reconciliations had not been performed since November 2022. As a result, significant adjustments were made to the trial balance to correct errors that were not initially identified by the District's internal control structure.

Cause: The District's policies and procedures were not designed to prepare the financial statement in conformity with the regulatory basis of accounting.

Effect: The District's financial statements required multiple adjustments to individual funds to ensure proper recording.

Recommendation: We recommend that the Board of Education and management review the financial reports and bank statements monthly to ensure reconciliation are performed timely and the books are reasonably stated in conformity with the regulatory basis of accounting.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and plans to develop proper policies and procedures for internal control over financial reporting to ensure conformity with regulatory basis of accounting.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAM

2023-002 Reporting to the Federal Audit Clearinghouse (Material Weakness)

Federal Agency: U.S Environmental Protection Agency
Program Name: Clean School Bus Program
Assistance Listing Number: 66.045
Award Period: June 30, 2023

Criteria: According to 2 CFR 700, Subpart F the District must submit the audit package and the data collection form to the Federal Audit Clearinghouse within 30 days after the receipt of the auditors report or nine months after the end of the fiscal year – whichever comes first.

Condition: Audit tests revealed that required submission of the audit package and the data collection form was not submitted to the Federal Audit Clearinghouse for the audit of fiscal year ended June 30, 2023 in a timely manner.

Cause: Proper internal control procedures were not followed to ensure that audit package and data collection form was submitted to the Federal Audit Clearinghouse within the required timeline for the audit of fiscal year ending June 30, 2023.

Effect: The District's lack of proper internal control procedures that will ensure timely submission of the audit package and data collection form to the Federal Audit Clearinghouse.

Recommendation: We recommend that the District follow internal control procedures that will ensure timely submission of the audit package and data collections form to the Federal Audit Clearinghouse within the required timeline.

Questioned Costs: None

Repeat finding: No.

Views of the Responsible Official and Planned Corrective Actions: Management agrees with the findings and will follow procedures that will ensure timely submission of the audit package and data collect form to the Federal Audit Clearinghouse.

UNIFIED SCHOOL DISTRICT NO. 272
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FINDINGS – FINANCIAL STATEMENT

None.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

None.

OTHER INFORMATION

UNIFIED SCHOOL DISTRICT NO. 272
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor	Assistance Listing Number	Pass-Through Entity Name	Name of Grant - Grant ID No.	Federal Expenditures
EXPENDITURES OF FEDERAL AWARDS				
Child Nutrition Cluster-Cluster				
United States Department of Agriculture				
School Breakfast Program	10.553	Kansas State Department of Education	School Breakfast 3529-3490	$ 41,781
National School Lunch Program	10.555	Kansas State Department of Education	School Lunch 3530-3500	115,653
Summer Food Service Program for Children	10.559	Kansas State Department of Education	Cash for commodities 3530-3500	9,498
Total United States Department of Agriculture				166,932
Total Child Nutrition Cluster-Cluster				166,932
Other Programs				
United States Department of Agriculture				
Child and Adult Care Food Program	10.558	Kansas State Department of Education	Meal Costs 3531-3510	10,177
Total United States Department of Agriculture				10,177
Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Funds (COVID-19)	21.027	Child Care Aware of Kansas	Child Care Sustainability	23,100
Total Department of the Treasury				23,100
United States Environmental Protection Agency				
Clean School Bus Program	66.045		Environmental Protection Agency	1,579,956
Total United States Environmental Protection Agency				1,579,956
Department of Education				
Title I Grants to Local Educational Agencies	84.010	Kansas State Department of Education	Title I 3532-3520	63,845
Impact Aid	84.041		Title VII of ESEA	63,037
Career and Technical Education -- Basic Grants to States	84.048	Kansas State Department of Education	Perkins V 90180	18,789
Rural Education	84.358		REAP	5,902
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	Kansas State Department of Education	Title IIA 3526-3860	12,106
Student Support and Academic Enrichment Program	84.424	Kansas State Education Department	ESSA Student Support 3113-3113	13,466
Education Stabilization Fund (COVID-19)	84.425	Kansas State Department of Education	ESSER 3233-3040	294,836
Total Department of Education				471,981
Department of Health and Human Services				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) (COVID-19)	93.323	Kansas State Department of Education	KDHE K-12 COVID Testing 3056-3200	280,921
Temporary Assistance for Needy Families (TANF) State Programs	93.558	Kansas State Department of Education	TANF - Early Learning Kansas 3323-0531	56,314
Total Department of Health and Human Services				337,235
Total Other Programs				2,422,449
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 2,589,381

No amounts were passed through to subrecipients

UNIFIED SCHOOL DISTRICT NO. 272
NOTES TO SCHEDULE OF EXPENDITURES FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District No. 272 (the District) and is presented on the regulatory basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the aggregate cash and unencumbered cash balance and the aggregate receipts and expenditures of the District as described in Note 2 to the District's financial statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the schedule are reported on the regulatory basis of accounting, as described in Note 2 to the District's financial statement.

3. DE MINIMIS INDIRECT COST RATE

In accordance with Section 2 U.S. *Code of Federal Regulations* Part 200.412 the District is allowed to elect to use the ten percent de minimis indirect cost rate. The District did not elect to use the 10% de minimis indirect cost rate.