COLUMBUS
UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

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

For the Fiscal Year Ended June 30, 2022

COLUMBUS UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

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Diehl
Banwart
Bolton
Certified Public Accountants PA

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District #493
Columbus, Kansas 66725

Adverse and Unmodified Opinions
We have audited the accompanying Summary Statement of Receipts, Expenditures, and Unencumbered Cash, Regulatory Basis, of the Unified School District #493 (District), Columbus, Kansas as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse 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, 2022 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 #493, Columbus, Kansas as of June 30, 2022, 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.

Management's Responsibility for the Financial Statements
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.

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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the June 30, 2022 summary statement of receipts, expenditures, and unencumbered cash balances – regulatory basis (financial statement) as a whole. The summary of expenditures – actual and budget – regulatory basis, individual fund schedules of receipts and expenditures – actual and budget – regulatory basis, schedule of receipts and expenditures – agency funds – regulatory basis and the schedule of receipts, expenditures, and unencumbered cash – district activity funds – regulatory basis (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 financial statement, however they are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedule of expenditures of federal awards is presented for purposes of additional analysis 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*, and is also not a required part of the basic financial statements. 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 directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the 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 February 10, 2023 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

The 2021 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents), are also presented for comparative analysis and was not a required part of the 2021 financial statement upon which we rendered an unmodified opinion dated February 18, 2022. The 2021 financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://admin.ks.gov/offices/chief-financial-officer/municipal-services. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the 2021 comparative information is fairly stated in all material respects in relation to the 2021 basic financial statement as a whole, on the basis of accounting described in Note 1.

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON CPAs PA

February 10, 2023
Pittsburg, Kansas

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ -	$ -	$ 7,980,134	$ 7,980,134	$ -	$ 10,154	$ 10,154
Supplemental General	134,847	-	2,415,815	2,436,470	114,192	-	114,192
Special Purpose Funds:							
4 Yr Old At Risk	-	-	91,984	91,984	-	-	-
K-12 At Risk	-	-	1,158,357	1,158,357	-	-	-
Virtual Education	-	-	22,224	22,224	-	-	-
Capital Outlay	962,534	-	1,041,471	1,012,077	991,927	44,087	1,036,014
Driver Education	45,138	-	13,076	14,534	43,680	-	43,680
Food Service	138,489	-	691,873	630,955	199,407	-	199,407
Professional Development	60,250	-	-	11,337	48,914	-	48,914
Special Education	490,691	-	1,348,491	1,513,731	325,451	448	325,899
Career and Post Secondary Education	-	-	419,263	419,263	-	-	-
KPERS Special Retirement	-	-	960,412	960,412	-	-	-
Contingency Reserve	244,688	32,308	-	-	276,997	-	276,997
Textbook Rental	87,290	-	-	27,531	59,759	1,129	60,887
Title I	-	-	241,033	241,033	-	-	-
Title II -A Teacher Quality	-	-	27,020	42,030	(15,010)	-	(15,010)
Kansas Reading Roadmap Grant	-	-	-	-	-	-	-
Cares Act	-	-	-	-	-	-	-
SPARK	-	-	-	-	-	-	-
ESSER II	(60,361)	-	620,453	824,589	(264,497)	148,675	(115,822)
Literacy Grant	-	-	-	-	-	-	-
Early Childhood Jump Start	-	-	10,000	10,000	-	-	-
KDHE Testing Grant	-	-	31,713	47,693	(15,980)	-	(15,980)
Gifts and Grants	14,079	-	57,447	51,282	20,244	-	20,244
District Activity Funds	35,855	-	61,191	62,080	34,967	-	34,967
Bond and Interest Fund	226,663	-	671,742	137,192	761,214	-	761,214
Capital Projects Fund	-	-	15,169,950	2,049,246	13,120,704	-	13,120,704
Scholarships	59,630	-	2,026	2,000	59,656	-	59,656
Total Entity (Excluding Agency Funds)	$ 2,439,793	$ 32,308	$ 33,035,675	$ 19,746,154	$ 15,761,623	$ 204,492	$ 15,966,115

Composition of Cash	
District Checking Accounts	$ 15,358,284
Activity Checking Accounts	228,251
Petty Cash	-
Certificates of Deposit	525,000
Scholarship Certificates of Deposit	47,864
Total Cash	16,159,399
Agency Funds per Schedule 3	(193,284)
Total Reporting Entity	$ 15,966,115

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

COLUMBUS UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

NOTES TO THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement of Unified School District #493, Columbus, Kansas (District), 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 principles 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 USD #493 (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. This 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 District:

REGULATORY BASIS FUND TYPES

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

Special Purpose Funds – 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Basis of Presentation - Fund Accounting - (continued)

REGULATORY BASIS FUNDS - (Continued)

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.

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

Business Fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

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.).

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

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 municipality 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 revenue 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. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (Continued)

Budgetary Information (Continued)

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

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 for the 2022 budget.

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 in the fiscal year ending June 30, 2022. The budgeted expenditures in the General Fund and Supplemental General Fund were reduced to comply with the legal budget maximum based upon enrollment.

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 as regulatory required supplemental information for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the cash basis of accounting, modified further by the recording of accounts payable and encumbrances. Revenues are recognized when cash is received. Expenditures include cash disbursements, accounts payable and encumbrances. Encumbrances are commitments of the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end. Expenditures which are reimbursed by third parties result in budget credits which increase the spending authority by the amount of the reimbursement.

A legal operating budget is not required for the Contingency Reserve, Textbook Rental, Title I, Title II A – Teacher Quality, Title VI Rural Education, Kansas Reading Roadmap Grant, Cares Act, SPARK, ESSER II, Literacy Grant, Early Childhood Jump Start, KDHE Testing Grant, Gifts and Grants, District Activity, Capital Project, and Scholarship Funds.

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

Compensated Absences

Employees may accrue 10 days of sick leave each year. An employee may accumulate up to 90 days of sick leave. At retirement the District pays $100 per day of accumulated unused sick leave to employees that qualify under the early retirement program. No other payments are made for unused sick leave.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Compensated Absences (Continued)

Full time, twelve-month employees accrue 20 days of vacation each year on June 30, which is to be taken within twelve months after year end.

The District determines a liability for compensated absences when the following conditions are met:

1. The District's obligation relating to the employee's rights to receive compensation for future absences is attributable to employee's services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, the District has not accrued a liability for sick pay or vacation pay.

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 20 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 31 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. As shown in the financial statements and required supplementary schedules, the District was in apparent compliance with all cash basis and budget laws of Kansas. The negative unencumbered cash balance in the Title II-A Teacher Quality, ESSER II, and KDHE Testing Grant Funds are allowed since they will be reimbursed by a federal grant.

3. CASH IN BANK AND DEPOSITORY SECURITY

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 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.

3. CASH IN BANK AND DEPOSITORY SECURITY (Continued)

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, 2022.

At June 30, 2022 the District's carrying amount of deposits was $16,159,399 and the bank balance was $17,216,197. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $659,228 was covered by federal depository insurance, and $16,556,969 was collateralized with securities held by the pledging financial institutions' agents in the District's name with a market value of $18,458,481. All deposits were adequately secured as detailed in the table below:

FINANCIAL INSTITUTIONS

RISK CATEGORIES	COMMERCE BANK	AMERICAN BANK	LABETTE BANK	TOTALS
(1) FDIC Insurance	$ 250,000	$ 250,000	$ 159,228	$ 659,228
(1) Collateralized with pledged securities held in the District's account	13,261,567	3,295,402	-	16,556,969
(2) Collateralized with pledged securities in Bank's account	-	-	-	-
(3) Uncollateralized	-	-	-	-
TOTAL BANK BALANCES	$ 13,511,567	$ 3,545,402	$ 159,228	$ 17,216,197
Total Market Value of Pledged Securities	$ 14,409,690	$ 4,048,791	$ -	$ 18,458,481

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received $361,198 subsequent to June 30, 2022, and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

5. 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.

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

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. 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 for House Bill 2002 authorized the 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 for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the KPERS School Group. A payment of $56 million was paid in fiscal year 2018. This bill also authorized a payment of $82 million in fiscal year 2019. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

5. PENSION PLAN (Continued)

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 $960,412 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $7,337,667. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's 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, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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.

6. POST EMPLOYMENT BENEFITS

Early Retirement

A professional certified employee is eligible for early retirement if such person: (a) is currently a professional certified employee of the District; (b) will be at least 55 years of age and not more than 65 years of age on or before June 30 of the retiring year; (c) has 15 years or more of service with the District. Early retirement is entirely voluntary and at the discretion of an eligible employee. Retirement benefits are $100 per day of accumulated unused sick leave. The District funds these benefits on a pay as you go basis. The early retirement benefits are paid by making contributions to a section 403(b) Plan. For the year ended June 30, 2022, the District contributed $48,000 to the plan.

During the fiscal year ended June 30, 2022, the District offered a one-time incentive to certified staff eligible to retire. Eligible staff could elect a lump sum or series of monthly payments. The required payments under the retirement incentive are listed below:

Fiscal Year Ending	Payments
June 30, 2023	$ 48,000
June 30, 2024	48,000
June 30, 2025	13,000
June 30, 2026	1,000
June 30, 2027	-
	$ 110,000

6. POST EMPLOYMENT BENEFITS (Continued)

Participation in Group Health Insurance Plan

As provided by K.S. A. 12-5040, retired employees are eligible to participate in the District's group health insurance plan until they have reached the age of 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.

7. 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.

8. TRANSFERS

FROM	TO	STATUTORY AUTHORITY	AMOUNT
General	Capital Outlay	K.S.A. 72-53,113	$ 46,371
General	Virtual Education	K.S.A. 72-3715	22,224
General	Special Education	K.S.A. 72-3422	1,125,228
General	Career & Post Sec Ed	K.S.A. 72-5162	130,182
General	4 Year Old At Risk	K.S.A. 72-5154	30,110
General	K-12 At Risk	K.S.A. 72-5153	894,994
General	Food Service	K.S.A. 72-5164	3,532
Supplemental General	Career & Post Sec Ed	K.S.A. 72-5162	283,029
Supplemental General	K-12 At Risk	K.S.A. 72-5153	263,363
Supplemental General	4 Year Old At Risk	K.S.A. 72-5154	61,873
Supplemental General	Special Education	K.S.A. 72-3422	199,390

9. CAPITAL PROJECTS

The District issued Series 2021 bonds with a face value of $14,750,000 for improvements to the Central Campus, High School, and other necessary improvements. Total proceeds from the bonds were $15,169,950. Expenditures on the project to date are $2,049,246.

10. SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring subsequent to June 30, 2022 through February 10, 2023, the date the financial statement was available for issue. In July 2022, the District executed a capital lease with Apple Computer for the purchase of equipment valued at $157,824. The lease calls for 3 payments at $53,080 beginning in July 2022. During this period, there were no other subsequent events requiring recognition in the financial statement or disclosure in the notes to the financial statements.

11. LONG-TERM OBLIGATIONS

Attached are schedules detailing the long-term debt and its maturity.

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 / PrincipalPaid	Balances End of Year	Interest Paid
General Obligation Bonds									
Series 2021	2.5 - 4.0%	10/28/2021	$ 14,750,000	9/1/2046	$ 14,750,000	$ -	$ -	$ 14,750,000	$ 137,192
Capital Lease									
Buses and Vehicles	2.57%	8/23/2019	$ 246,002	6/8/2019	83,669	-	83,669	-	265
Dell Lease	5.33%	6/18/2020	53,535.00	44,730.00	17,829.47	-	17,829	-	949
HVAC Lease	3.72%	4/10/2018	1,470,686	6/12/2025	892,492	-	210,863	681,629	33,736
Apple Lease	1.93%	6/8/2019	157,684	7/15/2021	52,657	-	52,657	-	1,017
Apple Lease	1.49%	8/15/2020	78,045	8/15/2022	51,644	-	26,013	25,631	304
Apple Lease	0.89%	6/19/2021	130,625	6/19/2023	87,477	-	43,545	43,932	-
					$ 15,935,769	$ -	$ 434,576	$ 15,501,192	$ 173,462

Schedule of Maturities in Long-Term Debt

Fiscal Year Ended June 30,	2023	2024	2025	2026	2027	2028 2032	2033 2037	2038 2042	2043 2047	Totals
PRINCIPAL										
General Obligation Bonds										
Series 2021	$ 340,000	$ 415,000	$ 435,000	$ 450,000	$ 470,000	$ 2,645,000	$ 3,005,000	$ 3,310,000	$ 3,680,000	$ 14,750,000
Capital Lease										
HVAC	218,834	227,105	235,689	-	-	-	-	-	-	681,629
Apple	25,631	-	-	-	-	-	-	-	-	25,631
Apple	43,932	-	-	-	-	-	-	-	-	43,932
Apple	53,080	52,137	52,606	-	-	-	-	-	-	157,824
	681,477	694,243	723,296	450,000	470,000	2,645,000	3,005,000	3,310,000	3,680,000	15,659,016
INTEREST										
General Obligation Bonds										
Series 2021	$ 394,738	$ 379,638	$ 362,638	$ 344,938	$ 326,538	$ 1,340,488	$ 964,638	$ 643,931	$ 234,000	$ 4,991,544
Capital Lease										
HVAC	25,765	17,493	8,909	-	-	-	-	-	-	52,167
Apple	388	-	-	-	-	-	-	-	-	388
Apple	391	-	-	-	-	-	-	-	-	391
Apple	-	943	473	-	-	-	-	-	-	1,416
	421,281	398,074	372,020	344,938	326,538	1,340,488	964,638	643,931	234,000	5,045,906
Total Principal and Interest	$1,102,758	$1,092,316	$1,095,316	$ 794,938	$ 796,538	$3,985,488	$ 3,969,638	$3,953,931	$3,914,000	$ 20,704,922

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

REGULATORY REQUIRED
SUPPLEMENTAL INFORMATION

Schedule 1

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

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	$ 8,020,373	$ (181,759)	$ 141,520	$ 7,980,134	$ 7,980,134	$ -
Supplemental General	2,477,610	(41,140)	-	2,436,470	2,436,470	-
Local Sources						
4 Year Old At Risk	105,958	-	-	105,958	91,984	(13,974)
K-12 At Risk	1,229,041	-	-	1,229,041	1,158,357	(70,684)
Virtual Education	32,942	-	-	32,942	22,224	(10,718)
Capital Outlay	1,150,627	-	-	1,150,627	1,012,077	(138,550)
Driver Education	29,130	-	-	29,130	14,534	(14,596)
Food Service	733,133	-	-	733,133	630,955	(102,178)
Professional Development	60,596	-	-	60,596	11,337	(49,259)
Special Education	1,711,101	-	-	1,711,101	1,513,731	(197,370)
Vocational Education	467,363	-	-	467,363	419,263	(48,100)
KPERS Special Retirement	1,164,472	-	-	1,164,472	960,412	(204,060)
Bond and Interest Fund	245,833	-	-	245,833	137,192	(108,641)
	17,428,179					

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Grant	$ -	$ -	$ -	$ -
Delinquent tax	-	-	-	-
Reimbursement	184,075	141,520	-	141,520
Interest	-	-	-	-
State Sources				
General Aid	6,834,491	6,843,740	6,977,324	(133,584)
Supplemental General Aid	-	-	-	-
KPERS Aid	-	-	-	-
Capital Outlay Aid	-	-	-	-
Special Education Aid	1,026,474	994,874	1,043,049	(48,175)
Total Cash Receipts	8,045,040	7,980,134	$ 8,020,373	$ (40,239)
Expenditures				
Instruction	3,846,010	3,019,870	$ 3,487,285	$ (467,415)
Support Services				
Student Support	190,476	248,981	108,891	140,090
Instructional Support	132,507	154,408	132,511	21,897
General Administration	187,549	225,598	144,177	81,421
School Administration	735,269	754,382	610,458	143,924
Operations and Maintenance	352,464	418,991	254,352	164,639
Transportation	462,623	483,744	452,991	30,753
Central Services	305,276	421,517	305,719	115,798
Operating transfers to Other Funds				
4 Yr Old At Risk	43,376	30,110	63,376	(33,266)
K-12 At Risk	186,000	894,994	965,671	(70,677)
Virtual Education	-	22,224	32,942	(10,718)
Food Service	-	3,532	-	3,532
Capital Outlay	-	46,371	-	46,371
Contingency Reserve	50,000	-	-	-
Special Education	1,421,490	1,125,228	1,300,000	(174,772)
Career and Post Secondary Education	132,000	130,182	162,000	(31,818)
Adjustments to Budget				
Adjustment for Reimbursed Expenses	-	-	141,520	(141,520)
Adjustment for Legal Maximum	-	-	(181,759)	181,759
Total Expenditures Subject to Budget	8,045,040	7,980,134	$ 7,980,134	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
SUPPLEMENTAL GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Advalorem tax	$ 1,120,899	$ 1,214,747	$ 1,099,248	$ 115,499
Delinquent tax	30,307	25,153	23,644	1,509
Motor vehicle tax	166,868	158,932	185,717	(26,785)
Other	-	-	-	-
State Sources				
Supplemental aid	1,018,044	1,016,983	1,034,154	(17,171)
Operating Transfer from Other Funds				
General Fund	-	-	-	-
Total Cash Receipts	2,336,118	2,415,815	$ 2,342,763	$ 73,052
Expenditures				
Instruction	80,456	643,495	$ 725,946	$ (82,451)
Support Services				
Student Support	-	-	-	-
Instructional Support	-	-	-	-
General Administration	160,951	172,657	160,952	11,705
School Administration	-	-	-	-
Operations and Maintenance	808,335	812,663	758,335	54,328
Transportation	-	-	-	-
Other Supplemental Services	-	-	-	-
Operating transfers to Other Funds				
Professional Development	20,000	-	20,000	(20,000)
Food Service	571	-	571	(571)
Special Education	198,932	199,390	198,932	458
4 Yr Old At Risk	42,582	61,873	42,582	19,291
K-12 At Risk	813,197	263,363	263,370	(7)
Career and Post Secondary Education	256,922	283,029	306,922	(23,893)
Adjustments to Budget				
Adjustment for Legal Maximum	-	-	(41,140)	41,140
Total Expenditures Subject to Budget	2,381,946	2,436,470	$ 2,436,470	$ -
Receipts Over (Under) Expenditures	(45,828)	(20,655)		
Unencumbered Cash, Beginning	180,675	134,847		
Unencumbered Cash, Ending	$ 134,847	$ 114,192		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
4 YR OLD AT RISK FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Grant	$ -	$ -	$ -	$ -
Operating Transfer from Other Funds				
Supplemental General	42,582	61,873	42,582	19,291
General Fund	43,376	30,110	63,376	(33,266)
Total Cash Receipts	85,958	91,984	$ 105,958	$ (13,974)
Expenditures				
Instruction	79,640	83,962	$ 99,639	$ (15,677)
Transportation	6,318	8,021	6,319	1,702
Total Expenditures Subject to Budget	85,958	91,984	$ 105,958	$ (13,974)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
K-12 AT RISK FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Grant	$ -	$ -	$ -	$ -
Operating Transfer from Other Funds				
Supplemental General Fund	813,197	263,363	965,671	(702,308)
General Fund	186,000	894,994	263,370	631,624
Total Cash Receipts	999,197	1,158,357	$ 1,229,041	$ (70,684)
Expenditures				
Instruction	921,034	1,098,014	$ 1,050,876	$ 47,138
Student Support Services	78,163	60,343	178,165	(117,822)
Instructional Support	-	-	-	-
Total Expenditures Subject to Budget	999,197	1,158,357	$ 1,229,041	$ (70,684)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
VIRTUAL EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Grant	$ -	$ -	$ -	$ -
Operating Transfer from Other Funds				
Supplemental General Fund	-	-	-	-
General Fund	-	22,224	32,942	(10,718)
Total Cash Receipts	-	22,224	$ 32,942	$ (10,718)
Expenditures				
Instruction	-	22,224	$ 32,942	$ (10,718)
Student Support Services	-	-	-	-
Instructional Support	-	-	-	-
Total Expenditures Subject to Budget	-	22,224	$ 32,942	$ (10,718)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
CAPITAL OUTLAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Advalorem tax	$ 568,447	$ 584,723	$ 557,598	$ 27,125
Delinquent tax	11,742	11,485	11,987	(502)
Motor vehicle tax	82,444	80,373	93,048	(12,675)
Interest on idle funds	3,453	3,333	-	3,333
Miscellaneous	108,561	143,557	-	143,557
State Sources				
State Aid	164,358	171,628	175,792	(4,164)
Operating Transfer from Other Funds				
General Fund	-	46,371	-	46,371
Total Cash Receipts	939,005	1,041,471	$ 838,425	$ 203,046
Expenditures				
Instruction	355,531	340,379	$ 395,231	$ (54,852)
Student Support	-	-	-	-
Instructional Support	-	-	-	-
General Administration	1,664	3,891	1,449	2,442
School Administration	23,171	34,019	121,110	(87,091)
Operations & Maintenance	136,126	62,953	198,979	(136,026)
Transportation	85,819	83,933	85,818	(1,885)
Central Services	40,023	35,286	40,024	(4,738)
Facility Acquisition and Construction	384,607	451,616	308,016	143,600
Total Expenditures Subject to Budget	1,026,941	1,012,077	$ 1,150,627	$ (138,550)
Receipts Over (Under) Expenditures	(87,936)	29,394		
Unencumbered Cash, Beginning	1,050,470	962,534		
Unencumbered Cash, Ending	$ 962,534	$ 991,927		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
DRIVER EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Miscellaneous	$ 5,700	$ 6,000	$ -	$ 6,000
State Sources				
State aid	7,548	7,076	8,400	(1,324)
Operating Transfer from Other Funds				
General Fund	-	-	-	-
Total Cash Receipts	13,248	13,076	$ 8,400	$ 4,676
Expenditures				
Instruction	15,513	14,534	$ 29,130	$ (14,596)
Support Services				
Operations and Maintenance	-	-	-	-
Total Expenditures Subject to Budget	15,513	14,534	$ 29,130	$ (14,596)
Receipts Over (Under) Expenditures	(2,265)	(1,458)		
Unencumbered Cash, Beginning	47,403	45,138		
Unencumbered Cash, Ending	$ 45,138	$ 43,680		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
FOOD SERVICE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Students	$ 8,730	$ -	$ -	$ -
Adults	4,716	4,405	8,367	(3,962)
Other	3,709	3,541	3,000	541
State Sources				
State Aid	6,325	4,990	-	4,990
Federal Sources				
Child nutrition aid	648,356	674,791	585,997	88,794
Other	15,414	614	20,000	(19,386)
Operating Transfer from Other Funds				
General Fund	-	3,532	-	3,532
Supplemental General Fund	571	-	571	(571)
Total Cash Receipts	687,821	691,873	$ 617,935	$ 73,938
Expenditures				
Support Services				
Operations and Maintenance	609,335	630,955	$ 733,133	$ (102,178)
Total Expenditures Subject to Budget	609,335	630,955	$ 733,133	$ (102,178)
Receipts Over (Under) Expenditures	78,486	60,918		
Unencumbered Cash, Beginning	60,003	138,489		
Unencumbered Cash, Ending	$ 138,489	$ 199,407		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
PROFESSIONAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Miscellaneous	$ -	$ -	$ -	$ -
State Sources				
State Aid	5,564	-	-	-
Operating Transfer from Other Funds				
Supplemental General Fund	20,000	-	20,000	(20,000)
General Fund	-	-	-	-
Total Cash Receipts	25,564	-	$ 20,000	$ (20,000)
Expenditures				
Support Services				
Instructional Support Staff	7,267	11,337	$ 35,596	$ (24,259)
Other Support Services	18,047	-	25,000	(25,000)
Adjustments to Budget				
Adjustment for Reimbursed Expenses			-	-
Total Expenditures Subject to Budget	25,314	11,337	$ 60,596	$ (49,259)
Receipts Over (Under) Expenditures	250	(11,337)		
Unencumbered Cash, Beginning	60,000	60,250		
Prior Year Cancelled Encumbrance	-	-		
Unencumbered Cash, Ending	$ 60,250	$ 48,914		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
SPECIAL EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Federal Sources				
Federal Aid	$ 6,249	$ 23,873	$ -	$ 23,873
Local Sources				
Interest	-	-	-	-
Miscellaneous	12,126	-	-	-
Operating Transfer from Other Funds				
Supplemental General Fund	198,932	199,390	198,932	458
General Fund	1,421,490	1,125,228	1,300,000	(174,772)
Total Cash Receipts	1,638,797	1,348,491	$ 1,498,932	$ (150,441)
Expenditures				
Instruction	1,422,892	1,414,090	$ 1,595,257	$ (181,167)
Support Services				
Operations and Maintenance	-	-	-	-
Transportation	115,866	99,640	115,844	(16,204)
Total Expenditures Subject to Budget	1,538,758	1,513,731	$ 1,711,101	$ (197,370)
Receipts Over (Under) Expenditures	100,039	(165,240)		
Unencumbered Cash, Beginning	380,652	490,691		
Unencumbered Cash, Ending	$ 480,691	$ 325,451		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
CAREER AND POST SECONDARY EDUCATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Miscellaneous	$ 7,068	$ 6,052	$ 515	$ 5,537
State Sources				
State aid	-	-	-	-
Federal Sources				
Federal aid	-	-	-	-
Operating Transfer from Other Funds				
Supplemental General Fund	256,922	283,029	306,922	(23,893)
General Fund	132,000	130,182	162,000	(31,818)
Total Cash Receipts	395,990	419,263	$ 469,437	$ (50,174)
Expenditures				
Instruction	394,680	407,393	$ 466,052	$ (58,659)
Student Support Services	1,310	11,870	1,311	10,559
Instructional Support	-	-	-	-
Total Expenditures Subject to Budget	395,990	419,263	$ 467,363	$ (48,100)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
KPERS SPECIAL RETIREMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
State Sources				
KPERS aid	$ 920,531	$ 960,412	$ 1,164,472	$ (204,060)
Operating Transfer from Other Funds				
General Fund	-	-	-	-
Total Cash Receipts	920,531	960,412	$ 1,164,472	$ -
Expenditures				
Instruction	625,523	644,412	$ 790,327	$ (145,915)
Student Support	24,457	42,599	36,448	6,151
Instructional Support	10,584	11,911	28,297	(16,386)
General Administration	15,741	16,685	19,447	(2,762)
School Administration	79,714	80,666	98,514	(17,848)
Central Services (Other Personnel)	28,241	28,847	35,051	(6,204)
Operations and Maintenance	63,183	61,582	76,855	(15,273)
Trasnportation	45,669	47,371	53,915	(6,544)
Food Service	27,419	26,340	25,618	722
Total Expenditures Subject to Budget	920,531	960,412	$ 1,164,472	$ (204,060)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
CONTINGENCY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Miscellaneous	$ -	$ -
Operating transfer from:		
General Fund	50,000.00	-
Total Cash Receipts	50,000.00	-
Expenditures		
Instruction	-	-
Support Services		
Operations and Maintenance	105,312	-
Total Expenditures	105,312	-
Receipts Over (Under) Expenditures	(55,312)	-
Unencumbered Cash, Beginning	300,000	244,688
Prior Year Cancelled Encumbrance	-	32,308
Unencumbered Cash, Ending	$ 244,688	$ 276,997

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
TEXTBOOK RENTAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Fees/Reimbursements	$ -	$ -
Operating Transfer From General Fund	-	-
Total Cash Receipts	-	-
Expenditures		
Instruction	2,710	27,531
Total Expenditures	2,710	27,531
Receipts Over (Under) Expenditures	(2,710)	(27,531)
Unencumbered Cash, Beginning	90,000	87,290
Unencumbered Cash, Ending	$ 87,290	$ 59,759

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
TITLE I FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Grant	$ 243,411	$ 241,033
Total Cash Receipts	243,411	241,033
Expenditures		
Instruction	243,411	241,033
Total Expenditures	243,411	241,033
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
TITLE II - A TEACHER QUALITY
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Grant	$ 43,842	$ 27,020
Total Cash Receipts	43,842	27,020
Expenditures		
Instruction	43,842	42,030
Total Expenditures	43,842	42,030
Receipts Over (Under) Expenditures	-	(15,010)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (15,010)

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
KANSAS READING ROADMAP GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Grant	$ 46,979	$ -
Local Sources		
Miscellaneous	3	-
Total Cash Receipts	46,982	-
Expenditures		
Instruction	-	-
Total Expenditurs	-	-
Receipts Over (Under) Expenditures	46,982	-
Unencumbered Cash, Beginning	(46,982)	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
CARES ACT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Grant	$ 183,881	$ -
Total Cash Receipts	183,881	-
Expenditures		
Instruction	111,395	-
Support Services		
Student Support	8,595	-
General Administration	887	-
Operations and Maintenance	33,534	-
Transportation	4,521	-
Total Expenditurs	158,932	-
Receipts Over (Under) Expenditures	24,949	-
Unencumbered Cash, Beginning	(24,949)	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
SPARK FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Grant	$ 293,496	$ -
Total Cash Receipts	293,496	-
Expenditures		
Instruction	97,586	-
Support Services		
Student Support	21,484	-
Instructional Support	1,854	-
School Administration	7,131	-
Operations and Maintenance	142,184	-
Transportation	3,505	-
Total Expenditurs	273,744	-
Receipts Over (Under) Expenditures	19,752	-
Unencumbered Cash, Beginning	(19,752)	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
ESSER II FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Grant	$ -	$ 620,453
Total Cash Receipts	-	620,453
Expenditures		
Instruction	57,249	682,000
Support Services		
Student Support	1,560	68,677
Instructional Support	-	23,604
General Administration	-	4,302
School Administration	-	5,918
Operations and Maintenance	-	7,001
Transportation	1,552	22,689
Food Service	-	10,400
Total Expenditurs	60,361	824,589
Receipts Over (Under) Expenditures	(60,361)	(204,136)
Unencumbered Cash, Beginning	-	(60,361)
Unencumbered Cash, Ending	$ (60,361)	$ (264,497)

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
LITERACY GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Grant	$ 19,458	$ -
Total Cash Receipts	19,458	-
Expenditures		
Program Expenditures	19,255	-
Total Expenditurs	19,255	-
Receipts Over (Under) Expenditures	203	-
Unencumbered Cash, Beginning	(203)	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
EARLY CHILDHOOD JUMP START FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Grant	$ 10,000	$ 10,000
Total Cash Receipts	10,000	10,000
Expenditures		
Instruction	10,000	10,000
Total Expenditurs	10,000	10,000
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
KDHE TESTING GRANT
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources		
Federal Aid	$ -	$ 31,713
Total Cash Receipts	-	31,713
Expenditures		
Program Expenditures	-	47,693
Total Expenditures	-	47,693
Receipts Over (Under) Expenditures	-	(15,980)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (15,980)

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
GIFTS AND GRANTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Grant	$ 22,049	$ 57,447
Total Cash Receipts	22,049	57,447
Expenditures		
Instruction	18,432	51,282
Total Expenditures	18,432	51,282
Receipts Over (Under) Expenditures	3,617	6,165
Unencumbered Cash, Beginning	10,462	14,079
Unencumbered Cash, Ending	$ 14,079	$ 20,244

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources				
Grant	$ -	$ -	$ -	$ -
Ad Valorem Tax	-	671,742	640,647	31,095
Delinquent tax	-	-	-	-
Motor vehicle tax	-	-	-	-
Interest on idle funds	-	-	-	-
Other	-	-	-	-
State Sources				
State aid	-	-	-	-
Total Cash Receipts	-	671,742	$ 640,647	$ 31,095
Expenditures				
Debt Service				
Principal	-	-	$ -	$ -
Interest	-	137,192	245,833	(108,641)
Other	-	-	-	-
Total Expenditures Subject to Budget	-	137,192	245,833	(108,641)
Receipts Over (Under) Expenditures	-	534,550		
Unencumbered Cash, Beginning	226,663	226,663		
Unencumbered Cash, Ending	$ 226,663	$ 761,214		

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
CAPITAL PROJECTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Bond Proceeds	$ -	$ 15,169,950
Total Cash Receipts	-	15,169,950
Expenditures		
Construction Costs	-	2,049,246
Total Expenditurs	-	2,049,246
Receipts Over (Under) Expenditures	-	13,120,704
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 13,120,704

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
SCHOLARSHIPS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources		
Grant	$ 1,178	$ 1,937
Interest	110	89
Total Cash Receipts	1,288	2,026
Expenditures		
Scholarships	2,350	2,000
Total Expenditures	2,350	2,000
Receipts Over (Under) Expenditures	(1,062)	26
Unencumbered Cash, Beginning	60,692	59,630
Unencumbered Cash, Ending	$ 59,630	$ 59,656

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
AGENCY FUNDS
Schedule of Receipts and Disbursements
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

	Beginning Cash Balances	Cash Receipts	Cash Disbursements	Ending Cash Balances
Agency Funds				
Columbus High School	$ 179,564	$ 278,749	$ 335,024	$ 123,289
Columbus Central School	43,731	35,880	52,131	27,479
Highland Elementary	22,488	24,937	22,125	25,300
Park Elementary	16,559	15,750	15,093	17,216
Totals	$ 262,341	$ 355,316	$ 424,373	$ 193,284

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS
DISTRICT ACTIVITY FUNDS
Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Cash Balances June, 30 2022
Gate Receipts						
High School Athletics	$ 18,897	$ 46,468	$ 30,398	$ 34,967	$ -	$ 34,967
Middle School Athletics	16,959	14,723	31,682	-	-	-
Subtotal Gate Receipts	35,855	61,191	62,080	34,967	-	34,967
Food Service						
High School	-	2,452	2,452	-	-	-
Middle School	-	2,151	2,151	-	-	-
Subtotal Food Service						
Total District Activity Funds	$ 35,855	$ 61,191	$ 62,080	$ 34,967	$ -	$ 34,967

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

FEDERAL COMPLIANCE SECTION

For the Fiscal Year Ended June 30, 2022

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	AMOUNT RECEIVED	AMOUNT EXPENDED
U.S. Department of Agriculture			
Passed Through State of Kansas			
Department of Education:			
Child Nutrition Cluster			
School Breakfast Program	10.553	$ 134,514	$ 134,514
COVID-19 National School Lunch Program	10.555	501,261	501,261
COVID-19 Summer Food Service Program	10.559	39,016	39,016
		674,791	674,791
COVID-19 Pandemic EBT Administrative Costs	10.649	614	614
		675,405	675,405
U.S. Department of Education			
Passed Through the State of Kansas			
Department of Education:			
Title I Grants to Local Educational Agencies	84.010A	220,446	220,446
Improving Teacher Quality State Grants	84.367A	27,020	42,030
Student Support and Academic Enrichment Program	84.424A	20,587	20,587
COVID-19 Education Stabiliztion Fund (See Notes)	84.425D	644,326	848,462
		912,379	1,131,525
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	31,713	47,693
TOTALS		$ 1,619,497	$ 1,854,623

Notes:

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 disbursments, 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.

The District did not elect to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.

$23,873 of the Education Stabilization Fund was passed through to a subrecipient.

UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2022

Finding 2020-001 and 2021-001 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.

Diehl
Banwart
Bolton
Certified Public Accountants PA

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

Board of Education
Columbus Unified School District #493
Columbus, Kansas 66725

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 financial statement and related notes to the financial statement of Columbus Unified School District #493 as of the fiscal year ended June 30, 2022, and have issued our report thereon dated February 10, 2023.

Internal Control Over Financial Reporting
In planning and performing our audit of the 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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 February 10, 2023.

District's Response to Findings
The District's response to the findings identified in our audit is described in the Corrective Action Plan. We did not audit the District's response and accordingly, we express no opinion on it.

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.

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

February 10, 2023
Pittsburg, Kansas

Diehl
Banwart
Bolton
Certified Public Accountants PA

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

Board of Education
Columbus Unified School District #493
Columbus, Kansas 66725

Report on Compliance for Each Major Federal Program
We have audited the Unified School District #493'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, 2022. Unified District #493'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, 2022.

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

We are required to be independent of 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.

Diehl, Banwart, Bolton, CPAs PA

DIEHL, BANWART, BOLTON, CPAs PA

February 10, 2023
Pittsburg, Kansas

COLUMBUS UNIFIED SCHOOL DISTRICT #493
COLUMBUS, KANSAS

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

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 regulatory 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 2 CFR Section 200.516(a) _ *YES* _X_ *NO*

IDENTIFICATION OF MAJOR PROGRAMS:

CFDA #	NAME OF PROGRAM
84.425	Covid19 Education Stabilization Fund

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

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

SECTION II - FINANCIAL STATEMENT FINDINGS

Significant Deficiency
2022-001 Drafting Financial Statements

Condition: As auditors, we provide significant assistance with adjusting entries, as well as determining which disclosures are required under the regulatory basis of accounting. This is a repeat finding from June 30, 2021, and was identified in that report as 2021-001.

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 can not be considered part of the District's internal control.

Effect: Since the District relies on independent auditors to determine the financial statements are in the correct form and include the proper disclosures, the District does not have controls in place for this.

Recommendation: None

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

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

COLUMBUS UNIFIED SCHOOL DISTRICT #493 (USD #493)

June 30, 2022 Financial Statements

Corrective Action Plan

Audit Finding 2022-001

USD #493 has always relied upon its auditors to provide significant assistance with adjusting entries and with determining which disclosures were required under accounting principles generally accepted in the United States of America and the regulatory basis of accounting. While USD #493 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 accounting principles generally accepted in the United States of America and 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.