CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
TOWANDA, KANSAS

FINANCIAL STATEMENT
JUNE 30, 2023

BFR

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
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INDEPENDENT AUDITORS' REPORT

Board of Education
Circle Unified School District No. 375
Towanda, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Circle Unified School District No. 375, Towanda, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement.

Adverse and Unmodified Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America
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 **Circle Unified School District No. 375, Towanda, Kansas**, 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 **Circle Unified School District No. 375, Towanda, Kansas**, 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 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit 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 *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of the report. We are required to be independent of **Circle Unified School District No. 375, Towanda, Kansas** 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.

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Matter Giving Rise to Adverse Opinion on Accounting Principles Generally Accepted in the United State of America
As discussed in Note 1 of the financial statement, the financial statement is prepared by **Circle Unified School District No. 375, Towanda, Kansas**, on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 **Circle Unified School District No. 375, Towanda, Kansas'** 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.

Auditors' 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 auditors' 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the **Circle Unified School District No. 375, Towanda, Kansas'** 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 **Circle Unified School District No. 375, Towanda, Kansas'** 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, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of cash receipts and expenditures-capital projects, agency funds schedules of regulatory basis cash receipts and disbursements, and district activity funds schedules of regulatory basis cash receipts, expenditures, and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide.* The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the **Circle Unified School District No. 375, Towanda, Kansas**, as of and for the year ended June 30, 2022, and have issued our report thereon dated December 1, 2022, 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: https://admin.ks.gov/offices/oar/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, 2022 (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 1.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated May 8, 2024, on our consideration of **Circle Unified School District No. 375, Towanda, Kansas'** 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 **Circle Unified School District No. 375, Towanda, Kansas'** 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 **Circle Unified School District No. 375, Towanda, Kansas'** internal control over financial reporting and compliance.

BFR CPA, LLC
May 8, 2024

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 0	$ 0	$ 13,581,836	$ 13,575,568	$ 6,268	$ 0	$ 6,268
Special Purpose Funds							
Supplemental General	626,925	0	4,013,548	4,426,374	214,099	0	214,099
Preschool-Aged At-Risk	637,668	0	200,000	213,459	624,209	0	624,209
At Risk (K-12)	612,698	0	1,878,152	1,885,526	605,324	0	605,324
Bilingual Education	41,823	0	93,425	8,894	126,354	0	126,354
Virtual Education	231,883	0	275,000	200,011	306,872	0	306,872
Capital Outlay	3,725,047	0	2,874,084	2,144,313	4,454,818	0	4,454,818
Driver Training	69,302	0	21,210	17,368	73,144	0	73,144
Food Service	427,896	0	1,062,036	1,050,061	439,871	0	439,871
Professional Development	94,179	0	141,009	83,333	151,855	0	151,855
Special Education	741,214	0	2,329,561	2,491,807	578,968	0	578,968
Career and Postsecondary Education	584,199	0	577,014	587,611	573,602	0	573,602
KPERS Contribution	0	0	1,748,662	1,748,662	0	0	0
Federal Funds	(98,363)	0	1,525,957	1,912,359	(484,765)	396,041	(88,724)
Gifts and Grants	51,425	0	192,767	226,437	17,755	0	17,755
Contingency Reserve	900,334	0	150,000	0	1,050,334	0	1,050,334
Textbook & Student Material Revolving	862,436	0	297,674	262,472	897,638	0	897,638
After School Program	89,911	0	129,573	64,708	154,776	0	154,776
District Activity Funds	76,486	0	266,661	263,125	80,022	0	80,022
Bond & Interest Fund	8,761,595	0	6,244,974	5,928,030	9,078,539	0	9,078,539
Capital Projects Fund	33,094,732	0	305,244	25,016,134	8,383,842	0	8,383,842
	$ 51,531,390	$ 0	$ 37,908,387	$ 62,106,252	$ 27,333,525	$ 396,041	$ 27,729,566

Composition of Cash:	
Checking Accounts	$ 533,038
Certificates of Deposit	666,000
Money Market Accounts	26,686,341
Investments	8,867
	27,894,246
Agency Funds	(164,680)
	$ 27,729,566

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

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Circle Unified School District No. 375 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Towanda, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

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

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

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

Capital Projects Fund-used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Agency Funds-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 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 accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

Budget and Tax Cycle

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
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 municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The budget was amended for the following fund:

General Fund

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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 projects funds, trust funds, and the following special purpose funds:

Federal Funds	Gifts and Grants Fund
Contingency Reserve Fund	Textbook & Student Material Revolving Fund
After School Program Fund	District Activity Funds

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

Note 2 - Defined Benefit 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 of 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 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 paymentsof $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 SenateBill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

The 2021 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 the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $1,748,662 for the year ended June 30, 2023.

Net Pension Liability

At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was $16,370,921. 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.

Note 3 - Subsequent Events:

The District has evaluated subsequent events through May 8, 2024, the date which the financial statement was available to be issued.

Note 4 - Contingencies:

Grant Programs

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

Risk Management

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 carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 5 - Capital Projects:

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
School Building	$41,422,089	$33,038,247

Note 6 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

	Transfers									
Transfer from:	Preschool-Aged At Risk	At Risk (K-12)	Bilingual Education	Virtual Education	Professional Development	Special Education	Career and Postsecondary Education	Contingency Reserve	Textbook & Student Material Revolving	Total
General Fund	$ 0	$ 1,426,662	$ 36,343	$ 275,000	$ 100,000	$ 2,109,365	$ 250,000	$ 150,000	$ 150,000	$ 4,497,370
Supplemental General Fund	200,000	451,490	57,082	0	0	189,882	300,000	0	0	1,198,454
	$ 200,000	$ 1,878,152	$ 93,425	$ 275,000	$ 100,000	$ 2,299,247	$ 550,000	$ 150,000	$ 150,000	$ 5,695,824

Note 7 - Compensated Absences:

Certified personnel of the District are granted twelve days of sick leave at the beginning of each contract year. Days not used during the contract year may be accumulated to 76 days. Retiring certified personnel who have accumulated sick leave at the end of their last contract year are eligible to receive payment for unused days provided they are eligible to retire under KPERS or Social Security. The Board will pay $60.00 per day for 2/3 of the retiring employee's accumulated sick leave with a maximum of 50 days. If the employee is retiring under the early retirement provision of the negotiated agreement, an additional $30.00 per day for 2/3 of the accumulated sick leave, with a maximum of 50 days, will be paid. It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Classified staff accrue sick leave each year according to the provisions in the classified handbook. Retiring classified personnel who meet the KPERS retirement requirements, have been employed in the District for at least seven consecutive years prior to retirement and are employed for at least 3.5 hours per day are eligible to be reimbursed for their accumulated sick leave. The Board will pay $30.00 per day for the retiring employee's accumulated sick leave with a maximum of 50 days.

Note 8 - Reimbursed Expenditures:

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 accounting.

Note 9 - Deposits & Investments:

As of June 30, 2023, the District had the following investments and maturities:

Investment Type	Fair Value	Rating
Kansas Municipal Investment Pool (overnight fund)	$ 8,867	S&P AAAF/S 1+

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

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

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. The District's allocation of investments as of June 30, 2023, is as follows:

Investment Type	Percentage of Investments
Kansas Municipal Investment Pool (overnight fund)	100%

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may 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, 2023.

At June 30, 2023, the District's carrying amount of deposits was $27,885,379 and the bank balance was $30,282,212. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, $1,105,803 was covered by federal depository insurance and the remaining $29,176,409 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2023, the District had invested $8,867 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Note 10 - 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 of premium regardless of age. However, the cost of this subsidy has not been quantified in the 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.

Note 11 - Other Post Employment Benefits

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.

Note 12 - Advance Refunding of Bond Obligations:

On June 15, 2021, the District issued $42,195,000 with interest rates ranging from 0.25% to 2.16%. Of the issue, $41,888,407 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide future debt service payments on $28,355,000 of principal amount of 2013 Series Bonds until the redemption date of September 1, 2023; and $200,000 of principal amount of 2018 Series Bonds until the redemption date of September 1, 2022. As of June 30, 2023, the previously described amounts are considered defeased and not included in long-term debt.

Note 13 - Long-Term Debt:

Principal payments are due annually for general obligation bonds. Interest payments are due semi-annually.

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

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2013 Series	3.25 - 5.00	5/1/2013	$ 30,000,000	9/1/2031
2014 Series	1.00 - 4.00	9/1/2014	$ 22,745,000	9/1/2031
2017 Series	3.00	9/13/2017	$ 2,485,000	9/1/2025
2018 Series	3.00 - 4.00	6/5/2018	$ 3,830,000	9/1/2023
2019 Series	2.75 - 3.00	8/28/2019	$ 1,240,000	9/1/2023
2021-1 Series	3.00 - 4.00	6/15/2021	$ 37,620,000	9/1/2037
2021-2 Series	0.25 - 2.16	6/15/2021	$ 42,195,000	9/1/2031

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

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2013 Series	$ 1,645,000	$ 0	$ 0	$ 1,645,000	$ 82,250
2014 Series	2,625,000	0	2,625,000	0	52,500
2017 Series	820,000	0	205,000	615,000	21,525
2018 Series	200,000	0	200,000	0	3,000
2019 Series	855,000	0	415,000	440,000	18,906
2021-1 Series	37,620,000	0	0	37,620,000	1,132,600
2021-2 Series	41,595,000	0	540,000	41,055,000	632,249
	$ 85,360,000	$ 0	$ 3,985,000	$ 81,375,000	$ 1,943,030

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	Principal	Interest	Total Principal and Interest
2024	$ 4,000,000	$ 1,823,028	$ 5,823,028
2025	4,255,000	1,751,320	6,006,320
2026	4,440,000	1,710,486	6,150,486
2027	4,640,000	1,658,282	6,298,282
2028	4,855,000	1,593,566	6,448,566
2029 - 2033	27,515,000	6,461,380	33,976,380
2034 - 2038	31,670,000	2,457,000	34,127,000
	$ 81,375,000	$ 17,455,062	$ 98,830,062

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

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 Fund	$ 13,699,502	$ (123,934)	$ 0	$ 13,575,568	$ 13,575,568	$ 0
Special Purpose Funds						
Supplemental General	4,426,374	0	0	4,426,374	4,426,374	0
Preschool-Aged At-Risk	637,668	0	0	637,668	213,459	(424,209)
At Risk (K-12)	2,103,006	0	0	2,103,006	1,885,526	(217,480)
Bilingual Education	112,347	0	0	112,347	8,894	(103,453)
Virtual Education	306,882	0	0	306,882	200,011	(106,871)
Capital Outlay	6,109,142	0	0	6,109,142	2,144,313	(3,964,829)
Driver Training	87,401	0	0	87,401	17,368	(70,033)
Food Service	1,565,953	0	0	1,565,953	1,050,061	(515,892)
Professional Development	110,552	0	0	110,552	83,333	(27,219)
Special Education	2,758,104	0	0	2,758,104	2,491,807	(266,297)
Career and Postsecondary Education	972,945	0	0	972,945	587,611	(385,334)
KPERS Contribution	1,800,878	0	0	1,800,878	1,748,662	(52,216)
Federal Funds	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	1,912,359	XXXXXXXXX
Gifts and Grants	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	226,437	XXXXXXXXX
Contingency Reserve	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	0	XXXXXXXXX
Textbook & Student Material Revolving	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	262,472	XXXXXXXXX
After School Program	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	64,708	XXXXXXXXX
District Activity Funds	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	263,125	XXXXXXXXX
Bond & Interest Fund	5,928,030	0	0	5,928,030	5,928,030	0
Capital Projects Fund	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	25,016,134	XXXXXXXXX
	$ 40,618,784	$ (123,934)	$ 0	$ 40,494,850	$ 62,106,252	$ (6,133,833)

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 9,875	$ 0	$ 0	$ 0
State Sources	12,874,486	13,581,836	13,699,502	(117,666)
	12,884,361	13,581,836	$ 13,699,502	$ (117,666)
Expenditures				
Instruction	6,380,087	6,428,776	$ 7,089,411	$ (660,635)
Student Support Services	112,997	96,882	130,960	(34,078)
Instructional Support Staff	338,169	355,826	365,500	(9,674)
General Administration	533,471	588,105	582,000	6,105
School Administration	1,130,377	858,807	1,217,700	(358,893)
Central Services	65,805	122,749	73,860	48,889
Operations & Maintenance	0	2,415	5,000	(2,585)
Student Transportation Services	518,274	624,638	634,910	(10,272)
Transfers	3,805,181	4,497,370	3,600,161	897,209
Adjustment to Comply with Legal Max	0	0	(123,934)	123,934
	12,884,361	13,575,568	$ 13,575,568	$ 0
Receipts Over (Under) Expenditures	0	6,268		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 6,268		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Supplemental General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 3,674,928	$ 3,350,154	$ 3,141,974	$ 208,180
County Sources	265,074	297,333	298,788	(1,455)
State Sources	467,469	366,061	366,061	0
	4,407,471	4,013,548	$ 3,806,823	$ 206,725
Expenditures				
Instruction	1,057,217	1,135,058	$ 1,703,773	$ (568,715)
Student Support Services	240,805	253,701	265,700	(11,999)
Instructional Support Staff	142,522	45,336	163,710	(118,374)
General Administration	27,423	0	25,000	(25,000)
Central Services	336,839	449,410	344,600	104,810
Operations & Maintenance	1,261,650	1,344,415	1,511,000	(166,585)
Transfers	1,148,771	1,198,454	412,591	785,863
	4,215,227	4,426,374	$ 4,426,374	$ 0
Receipts Over (Under) Expenditures	192,244	(412,826)		
Unencumbered Cash, Beginning	434,681	626,925		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 626,925	$ 214,099		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Preschool-Aged At-Risk Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 417,411	$ 200,000	$ 0	$ 200,000
	417,411	200,000	$ 0	$ 200,000
Expenditures				
Instruction	128,409	213,459	$ 637,668	$ (424,209)
	128,409	213,459	$ 637,668	$ (424,209)
Receipts Over (Under) Expenditures	289,002	(13,459)		
Unencumbered Cash, Beginning	348,666	637,668		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 637,668	$ 624,209		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

At Risk (K-12) Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 1,394,960	$ 1,878,152	$ 1,493,067	$ 385,085
	1,394,960	1,878,152	$ 1,493,067	$ 385,085
Expenditures				
Instruction	634,048	1,170,123	$ 1,512,006	$ (341,883)
Student Support Services	415,940	438,189	565,500	(127,311)
Instructional Support Staff	374	2,872	25,500	(22,628)
School Administration	0	274,342	0	274,342
	1,050,362	1,885,526	$ 2,103,006	$ (217,480)
Receipts Over (Under) Expenditures	344,598	(7,374)		
Unencumbered Cash, Beginning	268,100	612,698		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 612,698	$ 605,324		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Bilingual Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 0	$ 0	$ 50,000	$ (50,000)
Transfers	29,512	93,425	20,524	72,901
	29,512	93,425	$ 70,524	$ 22,901
Expenditures				
Instruction	15,312	8,894	$ 112,347	$ (103,453)
	15,312	8,894	$ 112,347	$ (103,453)
Receipts Over (Under) Expenditures	14,200	84,531		
Unencumbered Cash, Beginning	27,623	41,823		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 41,823	$ 126,354		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Virtual Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 95,310	$ 275,000	$ 75,000	$ 200,000
	95,310	275,000	$ 75,000	$ 200,000
Expenditures				
Instruction	272,292	200,011	$ 306,882	$ (106,871)
	272,292	200,011	$ 306,882	$ (106,871)
Receipts Over (Under) Expenditures	(176,982)	74,989		
Unencumbered Cash, Beginning	408,865	231,883		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 231,883	$ 306,872		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Capital Outlay Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 2,192,147	$ 2,703,188	$ 2,210,159	$ 493,029
County Sources	153,977	170,896	176,671	(5,775)
	2,346,124	2,874,084	$ 2,386,830	$ 487,254
Expenditures				
Instruction	12,399	77,141	$ 75,000	$ 2,141
Instructional Support Staff	0	250	25,000	(24,750)
General Administration	1,445	270	10,000	(9,730)
School Administration	0	0	10,000	(10,000)
Central Services	281,090	229,034	350,000	(120,966)
Operations & Maintenance	1,264,620	1,376,609	1,703,500	(326,891)
Transportation	315,709	461,009	512,000	(50,991)
Facility Acquisition & Construction Services	0	0	3,423,642	(3,423,642)
	1,875,263	2,144,313	$ 6,109,142	$ (3,964,829)
Receipts Over (Under) Expenditures	470,861	729,771		
Unencumbered Cash, Beginning	3,254,186	3,725,047		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 3,725,047	$ 4,454,818		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Driver Training Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 10,650	$ 11,550	$ 10,000	$ 1,550
State Sources	6,954	9,660	8,100	1,560
	17,604	21,210	$ 18,100	$ 3,110
Expenditures				
Instruction	16,299	17,368	$ 87,401	$ (70,033)
	16,299	17,368	$ 87,401	$ (70,033)
Receipts Over (Under) Expenditures	1,305	3,842		
Unencumbered Cash, Beginning	67,997	69,302		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 69,302	$ 73,144		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Food Service Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 34,934	$ 411,004	$ 600,328	$ (189,324)
State Sources	9,637	8,740	7,880	860
Federal Sources	1,254,852	642,292	529,850	112,442
	1,299,423	1,062,036	$ 1,138,058	$ (76,022)
Expenditures				
Operations & Maintenance	25,066	46,487	$ 30,953	$ 15,534
Food Service Operation	1,185,128	1,003,574	1,535,000	(531,426)
	1,210,194	1,050,061	$ 1,565,953	$ (515,892)
Receipts Over (Under) Expenditures	89,229	11,975		
Unencumbered Cash, Beginning	338,667	427,896		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 427,896	$ 439,871		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Professional Development Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 0	$ 26,520	$ 0	$ 26,520
State Sources	0	14,489	9,000	5,489
Transfers	58,376	100,000	0	100,000
	58,376	141,009	$ 9,000	$ 132,009
Expenditures				
Instructional Support Staff	58,915	81,983	$ 99,552	$ (17,569)
Central Services	0	1,350	6,000	(4,650)
Other Support Services	0	0	5,000	(5,000)
	58,915	83,333	$ 110,552	$ (27,219)
Receipts Over (Under) Expenditures	(539)	57,676		
Unencumbered Cash, Beginning	94,718	94,179		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 94,179	$ 151,855		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Special Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 27,255	$ 30,314	$ 0	$ 30,314
Federal Sources	0	0	0	0
Transfers	2,373,684	2,299,247	2,016,889	282,358
	2,400,939	2,329,561	$ 2,016,889	$ 312,672
Expenditures				
Instruction	2,089,629	2,269,222	$ 2,758,104	$ (488,882)
Instructional Support Staff	0	50	0	50
Student Transportation Services	178,761	222,535	0	222,535
	2,268,390	2,491,807	$ 2,758,104	$ (266,297)
Receipts Over (Under) Expenditures	132,549	(162,246)		
Unencumbered Cash, Beginning	608,665	741,214		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 741,214	$ 578,968		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Career and Postsecondary Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 20,677	$ 17,514	$ 50,000	$ (32,486)
Federal Sources	116,513	9,500	65,000	(55,500)
Transfers	484,699	550,000	250,000	300,000
	621,889	577,014	$ 365,000	$ 212,014
Expenditures				
Instruction	649,761	587,611	$ 870,000	$ (282,389)
Other Support Services	0	0	102,945	(102,945)
	649,761	587,611	$ 972,945	$ (385,334)
Receipts Over (Under) Expenditures	(27,872)	(10,597)		
Unencumbered Cash, Beginning	612,071	584,199		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 584,199	$ 573,602		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

KPERS Contribution Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 1,683,064	$ 1,748,662	$ 1,800,878	$ (52,216)
	1,683,064	1,748,662	$ 1,800,878	$ (52,216)
Expenditures				
Instruction	825,000	797,784	$ 850,000	$ (52,216)
Student Support Services	120,772	125,000	125,000	0
Instructional Support Staff	120,772	125,000	125,000	0
General Administration	100,000	125,000	125,000	0
School Administration	125,000	150,000	150,000	0
Central Services	75,000	75,000	75,000	0
Operations & Maintenance	125,000	150,000	150,000	0
Student Transportation Services	125,000	150,000	150,000	0
Food Service Operation	66,520	50,878	50,878	0
	1,683,064	1,748,662	$ 1,800,878	$ (52,216)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH 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)

Bond & Interest Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 5,687,097	$ 5,776,700	$ 5,666,592	$ 110,108
County Sources	435,384	468,274	470,511	(2,237)
	6,122,481	6,244,974	$ 6,137,103	$ 107,871
Expenditures				
Debt Service	5,334,304	5,928,030	$ 5,928,030	$ 0
	5,334,304	5,928,030	$ 5,928,030	$ 0
Receipts Over (Under) Expenditures	788,177	316,944		
Unencumbered Cash, Beginning	7,973,418	8,761,595		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 8,761,595	$ 9,078,539		

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Federal Funds

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	$ 1,153,540	$ 1,525,957
	1,153,540	1,525,957
Expenditures		
Instruction	865,480	863,908
Student Support Services	281,011	330,498
General Administration	660	377
Operations and Maintenance	10,534	717,576
Student Transportation Services	10,098	0
	1,167,783	1,912,359
Receipts Over (Under) Expenditures	(14,243)	(386,402)
Unencumbered Cash, Beginning	(84,120)	(98,363)
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ (98,363)	$ (484,765)

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 41,444	$ 52,720
State Sources	45,000	93,547
Federal Sources	52,500	46,500
	138,944	192,767
Expenditures		
Operations and Maintenance	113,404	153,862
Instruction	0	72,575
	113,404	226,437
Receipts Over (Under) Expenditures	25,540	(33,670)
Unencumbered Cash, Beginning	25,885	51,425
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 51,425	$ 17,755

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	$ 100,000	$ 150,000
	100,000	150,000
Expenditures		
Other	0	0
	0	0
Receipts Over (Under) Expenditures	100,000	150,000
Unencumbered Cash, Beginning	800,334	900,334
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 900,334	$ 1,050,334

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Textbook & Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 158,179	$ 147,674
Transfers	0	150,000
	158,179	297,674
Expenditures		
Instruction	124,368	262,472
	124,368	262,472
Receipts Over (Under) Expenditures	33,811	35,202
Unencumbered Cash, Beginning	828,625	862,436
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 862,436	$ 897,638

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

After School Program Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 111,830	$ 129,573
	111,830	129,573
Expenditures		
Instruction	46,643	64,708
	46,643	64,708
Receipts Over (Under) Expenditures	65,187	64,865
Unencumbered Cash, Beginning	24,724	89,911
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 89,911	$ 154,776

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 16,232	$ 305,244
	16,232	305,244
Expenditures		
Facility Acquisition & Construction Services	7,998,707	25,016,134
Debt Service	15,738	0
	8,014,445	25,016,134
Receipts Over (Under) Expenditures	(7,998,213)	(24,710,890)
Unencumbered Cash, Beginning	41,092,945	33,094,732
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$33,094,732	$ 8,383,842

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Circle High School				
Art Club	$ 316	$ 0	$ 0	$ 316
Laser Engraving	28,753	13,047	9,143	32,657
Football	0	41,732	41,732	0
Volleyball	0	7,997	7,997	0
Basketball	0	30,057	30,057	0
Wrestling	0	9,209	9,209	0
Baseball	0	7,062	7,062	0
Softball	0	1,101	1,101	0
Track	0	10,818	10,316	502
Soccer	0	7,276	7,276	0
Football Fundraising	907	8,350	7,931	1,326
Bowling Fundraising	1,968	0	85	1,883
Band Fundraising	1,325	16,520	13,653	4,192
Madrigals Fundraising	468	3,425	3,748	145
Volleyball Fundraising	3,812	6,262	4,817	5,257
Cross Country Fundraising	2,089	6,242	4,684	3,647
Boys BB Fundraising	1,210	6,038	4,120	3,128
Girls BB Fundraising	2,288	3,695	3,004	2,979
Wrestling Fundraising	1,844	955	1,093	1,706
Baseball Fundraising	522	13,636	9,094	5,064
Softball Fundraising	1,389	1,622	3,011	0
Golf Boys Fundraising	81	2,397	1,368	1,110
Girls Golf Fundraising	1,396	1,623	1,482	1,537
Girls Swim Fundraising	180	0	60	120
Boys Swim Fundraising	30	0	0	30
Track Fundraising	1,998	1,921	572	3,347
Boys Tennis Fundraising	39	604	608	35
	50,615	201,589	183,223	68,981

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Circle High School (Continued)				
Girls Tennis Fundraising	3,576	3,028	3,698	2,906
Weightlifting Fundraising	359	3,213	3,214	358
Boys Soccer Fundraising	1,066	2,081	445	2,702
Girls Soccer Fundraising	5	8,083	2,508	5,580
Scholars Bowl Fundraising	131	3,028	3,029	130
Cheerleading Fundraising	663	18,768	17,734	1,697
Pole Vault	2,700	5,290	2,559	5,431
Best	140	1,000	288	852
Crimestoppers	66	0	0	66
Danz Team Fundraising	1,460	360	411	1,409
Drama/Forensics	1,585	4,866	4,007	2,444
FCA	2,333	112	654	1,791
FCCLA	4,442	1,495	1,678	4,259
Gaming Club	130	0	0	130
Tri-M Club	0	50	0	50
Freshman	1,995	1,845	3,840	0
Sophomores	2,688	1,725	2,568	1,845
Juniors	3,247	2,574	3,713	2,108
Seniors	0	5,535	3,555	1,980
Library	120	0	0	120
Memorial Fund	5,595	1,348	1,000	5,943
Musical/Play	2,823	8,557	7,399	3,981
NHS	1,751	1,440	1,180	2,011
SAFE	380	0	0	380
Skills USA	1,836	0	0	1,836
International Club	825	180	369	636
Interest Income	200	157	263	94
Sports Physicals	1,540	2,019	2,326	1,233
SADD	7,174	4,942	5,595	6,521
STUCO	9,575	10,480	10,886	9,169
Target	456	665	454	667
Thor Scholarship	0	500	500	0
	109,476	294,930	267,096	137,310

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Circle Middle School				
Book Reviewers	1,050	0	0	1,050
STUCO	2,855	6,865	7,099	2,621
Band	5	72	72	5
Yearbook	1,158	0	25	1,133
T-Bird Pride Store	11	870	19	862
General	(14)	0	0	(14)
Sales Tax	1	0	0	1
	5,066	7,807	7,215	5,658
Benton Grade School				
Stuco	400	1,555	410	1,545
General	3,245	7,581	7,197	3,629
	3,645	9,136	7,607	5,174
Greenwich Elementary School				
STUCO	891	3,723	2,195	2,419
Yearbook	4,374	697	427	4,644
General	215	9,596	9,584	227
	5,480	14,016	12,206	7,290
Oil Hill Grade School				
Student Council	6,832	2,573	4,533	4,872
Science Center	202	0	0	202
Entrepreneur Club	537	0	0	537
	7,571	2,573	4,533	5,611
Towanda Elementary School				
STUCO	189	250	0	439
General	1,177	1,133	1,082	1,228
Yearbook	1,770	256	65	1,961
Maker Space	9	0	0	9
	3,145	1,639	1,147	3,637
Total Agency Funds	$ 134,383	$ 330,101	$ 299,804	$ 164,680

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Circle High School							
Concessions	$ 250	$ 0	$ 86,125	$ 86,125	$ 250	$ 0	$ 250
Yearbook	2,327	0	982	289	3,020	0	3,020
Athletic Misc	3	0	0	0	3	0	3
Testing	102	0	950	984	68	0	68
School Supplies	6,488	0	3,490	1,962	8,016	0	8,016
Sports Program	2,103	0	0	510	1,593	0	1,593
	11,273	0	91,547	89,870	12,950	0	12,950
Circle Middle School							
Athletics	2,956	0	30,524	28,661	4,819	0	4,819
	2,956	0	30,524	28,661	4,819	0	4,819
Concessions	52,179	0	77,398	72,779	56,798	0	56,798
District Activity	10,078	0	67,192	71,815	5,455	0	5,455
	62,257	0	144,590	144,594	62,253	0	62,253
Total District Activity Funds	$ 76,486	$ 0	$ 266,661	$ 263,125	$ 80,022	$ 0	$ 80,022

FEDERAL AWARD INFORMATION

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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
Circle Unified School District No. 375
Towanda, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Circle Unified School District No. 375, Towanda, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement, which collectively comprise **Circle Unified School District No. 375, Towanda, Kansas'** basic financial statement, and have issued our report thereon dated May 8, 2024. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Circle Unified School District No. 375, Towanda, Kansas'** 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 **Circle Unified School District No. 375, Towanda, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Circle Unified School District No. 375, Towanda, Kansas'** internal control.

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

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Board of Education
Circle Unified School District No. 375

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Circle Unified School District No. 375, Towanda, Kansas'** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

BFR CPA, LLC

BFR CPA, LLC
May 8, 2024

BFR

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

Board of Education
Circle Unified School District No. 375
Towanda, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Circle Unified School District No. 375, Towanda, Kansas'** 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 **Circle Unified School District No. 375, Towanda, Kansas'** major federal programs for the year ended **June 30, 2023**. **Circle Unified School District No. 375, Towanda, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **Circle Unified School District No. 375, Towanda, Kansas** 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 Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **Circle Unified School District No. 375, Towanda, Kansas** 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of **Circle Unified School District No. 375, Towanda, Kansas'** compliance with the compliance requirements referred to above.

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Board of Education
Circle Unified School District No. 375

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 **Circle Unified School District No. 375, Towanda, Kansas'** major federal programs.

Auditors' 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 **Circle Unified School District No. 375, Towanda, Kansas'** 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a 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 aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Circle Unified School District No. 375, Towanda, Kansas'** compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *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 **Circle Unified School District No. 375, Towanda, Kansas'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of **Circle Unified School District No. 375, Towanda, Kansas'** 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 **Circle Unified School District No. 375, Towanda, Kansas'** 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.

Board of Education
Circle Unified School District No. 375

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 major 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 major 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 major 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 Auditors' 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 weakness 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 result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BFR CPA, LLC
May 8, 2024

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Grant Title	Assistance Listing Number	Program Amount	Expenditures
(Passes Through Kansas Department of Education)			
Department of Agriculture			
Child Nutrition Cluster-Cluster			
School Breakfast Program	10.553	$ 99,252	$ 99,252
National School Lunch Program	10.555	536,471	536,471
Summer Food Service Program for Children	10.559	51,227	51,227
		686,950	686,950
Department of Education			
Title I Grants to Local Educational Agencies	84.010	196,994	196,994
Career and Technical Education - Basic Grants to States	84.048	9,500	9,500
Supporting Effective Instruction State Grants	84.367	40,616	40,616
Student Support and Academic Enrichment Program	84.424	20,010	20,010
COVID-19 Education Stabilization Fund	84.425U	1,611,515	1,315,666
		1,878,635	1,582,786
Department of Health and Human Services			
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	339,072	339,072
Temporary Assistance for Needy Families Cluster-Cluster			
Temporary Assistance for Needy Families State Programs	93.558	42,000	42,000
		381,072	381,072
Total Federal Awards		$ 2,946,657	$ 2,650,808

The accompanying notes are an integral part of the schedule.

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Circle Unified School District No. 375, Towanda, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. 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).

Note 2 - Indirect Cost Rate:

The District has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **Circle Unified School District No. 375, Towanda, Kansas**.

2. No significant deficiencies or material weaknesses were reported in the Independent Auditors' 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*.

3. No instances of noncompliance material to the financial statement of **Circle Unified School District No. 375, Towanda, Kansas**, were disclosed during the audit.

4. No significant deficiencies or material weakness were reported in the Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance.

5. The independent auditors' report on compliance for the major federal award programs for **Circle Unified School District No. 375, Towanda, Kansas**, expresses an unmodified opinion on all major federal programs.

6. There were no audit findings relative to the major federal award programs for **Circle Unified School District No. 375, Towanda, Kansas**.

7. The programs tested as major programs were:

COVID-19 Education Stabilization Fund	84.425U
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323

8. The threshold for distinguishing Types A and B programs was $750,000.

9. **Circle Unified School District No. 375, Towanda, Kansas**, was determined not to be a low-risk auditee.

CIRCLE UNIFIED SCHOOL DISTRICT NO. 375
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

There are no prior audit findings.