UNIFIED SCHOOL DISTRICT NUMBER 309
NICKERSON, KANSAS

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2024



LOYD GROUP, LLC

Certified Public Accountants

Unified School District Number 309
Nickerson, Kansas

For the Fiscal Year Ended June 30, 2024

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Unified School District Number 309
Nickerson, Kansas

For the Fiscal Year Ended June 30, 2024

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Nickerson, Kansas

For the Fiscal Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District 309
Hutchinson, KS 67501

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District Number 309, Kansas (District), a Municipal Financial Reporting Entity, as of and for the year ended June 30, 2024, 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, 2024, 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 the District as of June 30, 2024, 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 (GAAS), the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Other Matter

The prior year's financial statement for the year ended June 30, 2023, was audited by another auditor, who expressed an unmodified opinion on regulatory basis of accounting, on May 28, 2024.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures—actual and budget, individual fund schedules of regulatory basis receipts and expenditures—actual and budget, schedule of regulatory basis receipts and disbursements—agency funds, schedules of regulatory basis receipts, expenditures and unencumbered cash—district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. 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.

Another auditor previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District Number 309 as of and for the year ended June 30, 2023 (not presented herein), and have issued their report thereon dated May 28, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and their 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/municipalservices. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2024 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 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 2023 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, 2023, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statement of Unified School District Number 309, Kansas. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* is presented for purposes of additional analysis and is also 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2024, on our consideration of Unified School District Number 309's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Unified School District Number 309's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District Number 309's internal control over financial reporting and compliance.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
October 1, 2024

Unified School District Number 309
Nickerson, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUNDS:							
General Fund	$ -	$ -	$ 9,484,281	$ 9,484,281	$ -	$ 11,985	$ 11,985
Supplemental General Fund	65,541	-	2,917,397	2,901,799	81,139	2,126	83,265
SPECIAL PURPOSE FUNDS:							
At Risk (4 Yr Old) Fund	15,000	-	60,250	60,247	15,003	-	15,003
At Risk (K-12) Fund	851,623	-	1,442,180	1,671,622	622,181	-	622,181
Bilingual Education Fund	15,000	-	33,759	33,206	15,553	-	15,553
Virtual Education Fund	65,000	-	161,270	160,963	65,307	-	65,307
Capital Outlay Fund	1,587,355	6,284	1,201,541	1,489,558	1,305,622	14,539	1,320,161
Driver Training Fund	25,576	-	11,777	14,000	23,353	-	23,353
Food Service Fund	362,959	-	778,092	915,920	225,131	-	225,131
Professional Development Fund	1,138	-	32,528	32,500	1,166	-	1,166
Parent Education Fund	10,000	-	17,615	17,615	10,000	-	10,000
Special Education Fund	128,434	-	2,105,059	1,954,422	279,071	16,500	295,571
Career and Postsecondary Education Fund	65,000	1,740	165,745	160,584	71,901	-	71,901
KPERS Special Retirement Contribution Fund	-	-	1,095,521	1,095,521	-	-	-
Contingency Reserve Fund	467,488	-	-	177,275	290,213	-	290,213
Gifts and Grants Fund	75,577	-	78,634	155,040	(829)	-	(829)
Textbook/Student Material Revolving Fund	40,859	185	32,717	73,760	1	9,108	9,109
Daycare Program Fund	-	-	124,200	124,200	-	-	-
Universal Preschool Grant Fund	-	-	218,335	204,303	14,032	-	14,032
Elementary and Secondary School Emergency Relief II Fund	514	-	-	514	-	-	-
Elementary and Secondary School Emergency Relief III Fund	(79,176)	-	915,217	865,837	(29,796)	127,914	98,118
Title I Fund	-	-	219,573	46,541	173,032	-	173,032
Title II-A Fund	-	-	36,810	19,380	17,430	-	17,430
Title IV Fund	-	-	20,880	20,880	-	-	-
COVID Testing Grant Fund	18,601	-	128,040	42,300	104,341	-	104,341
Gate Receipts	71,012	-	194,464	211,626	53,850	-	53,850
BOND AND INTEREST FUND:							
Bond and Interest Fund	363,718	-	879,114	173,694	1,069,138	-	1,069,138
CAPITAL PROJECTS FUND:							
Bond Construction Fund	-	-	8,444,055	2,504,663	5,939,392	-	5,939,392
Total Reporting Entity (Excluding Agency Funds)	$ 4,151,219	$ 8,209	$ 30,799,054	$ 24,612,251	$ 10,346,231	$ 182,172	$ 10,528,403

COMPOSITION OF CASH:	
Board Checking	$ 672,087
Board Sweep	3,563,073
Board Certificate of Deposti	300,000
Activity Fund Checking	152,089
Bond Construction	5,939,392
Total Cash	10,626,641
Agency Funds per Schedule 3	(98,238)
Total Reporting Entity (Excluding Agency Funds)	$ 10,528,403

UNIFIED SCHOOL DISTRICT NUMBER 309

NICKERSON, KANSAS

NOTES TO THE FINANCIAL STATEMENT

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

Unified School District Number 309 (the "District") is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District Number 309 (the District), a municipality.

(b) Regulatory Basis Fund Types

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

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

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

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

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

(c) Basis of Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1) Preparation of budget for the succeeding calendar year on or before August 1st.

2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

3) Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.

4) Adoption of the final budget on or before August 25th.

If the 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 municipality did hold a revenue neutral rate hearing for this year. The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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 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 the Capital Projects Fund, Trust Fund, Agency Fund, or the following Special Purpose Funds: Contingency Reserve, Gifts and Grants, Daycare Program Fund, Bond Construction, Universal Preschool Grant Fund, COVID Testing Grant, Textbook/Student Materials Revolving, ESSER II, ESSER III, Title I, Title II-A, Title IV, School Projects, and Gate Receipts.

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Kansas municipalities are subject to the cash-basis law as stated in Kansas Statute 10-1113. The ESSER III Fund had a negative cash balance as of June 30, 2023. The ESSER III Fund has a negative cash balance as of June 30, 2024. This is allowable under Kansas Statute 12-1663. These funds will be reimbursed in the following fiscal year from federal grant programs. The Gifts and Grants Fund has a negative cash balance as of June 30, 2024, which is in violation of the statute. The Class of 2023, Production Metals, Drama Club have negative cash balances as of June 30, 2023. The Class of 2023, Production Metals, Drama Club, 7th Grade and RVMS Sales Tax funds have negative cash balances as of June 30, 2024, which is in violation of the statute.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT.)

Kansas municipalities cannot have outstanding checks over two years as stated in Kansas Statute 10-816. There were outstanding checks over two years at the District level, as well as at South Hutch Elementary School and Reno Valley Middle School, which is in violation of the statute.

3. DEPOSITS AND INVESTMENTS

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of 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. All deposits were legally secured at June 30, 2024.

At June 30, 2024, the carrying amount of the District's deposits, including certificates of deposit, was $10,626,641 and the bank balance was $11,546,569. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $638,362 was covered by federal depository insurance and $10,908,207 was collaterized 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 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.

4. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post-Employment Benefits

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

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

(b) 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%

4. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

(c) Compensated Absences

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

(d) Termination Benefits

The District provides an early retirement program for certain eligible employees. Certified employees are eligible if they (a) are a full time employee of the District; (b) have ten or more years of employment with the District; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of teaching for the District. Classified employees are eligible if they (a) have ten or more years of employment with the District; (b) are working 17.5 or more hours per week; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of employment with the District.

Payments to retired employees under this plan were $36,667 for the year ended June 30, 2024.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	At Risk (4 Yr Old) Fund	K.S.A. 72-5167	$ 35,000
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	1,123,430
General Fund	Bilingual Education Fund	K.S.A. 72-5167	28,000
General Fund	Capital Outlay Fund	K.S.A. 72-5167	25,871
General Fund	Professional Development Fund	K.S.A. 72-5167	20,000
General Fund	Special Education Fund	K.S.A. 72-5167	1,625,866
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	125,678
General Fund	Virtual Education Fund	K.S.A. 72-5167	50,000
General Fund	Textbook/Student Material Revolving Fund	K.S.A. 72-5167	7,511
Supplemental General Fund	At Risk (4 Yr Old) Fund	K.S.A. 72-5413	25,250
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5413	318,750
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5413	5,759
Supplemental General Fund	Parent Education Fund	K.S.A. 72-5413	17,615
Supplemental General Fund	Special Education Fund	K.S.A. 72-5413	400,000
Supplemental General Fund	Virtual Education Fund	K.S.A. 72-5413	110,670
Supplemental General Fund	Textbook/Student Material Revolving Fund	K.S.A. 72-5414	4,639
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5415	4,180
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5413	30,633
			$ 3,958,852

6. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2024, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2023	4-5%	2023	$ 7,600,000	2032	$ -	$ 7,600,000	$ -	$ 7,600,000	$ 173,694
Total Contractual Indebtedness					$ -	$ 7,600,000	$ -	$ 7,600,000	$ 173,694

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

Debt Issue	2025	2026	2027	2028	2029	2030-2033	Total
Principal:							
General Obligation Bonds:							
Series 2023	$ 690,000	$ 725,000	$ 765,000	$ 800,000	$ 840,000	$ 3,780,000	$ 7,600,000
Total Principal	690,000	725,000	765,000	800,000	840,000	3,780,000	7,600,000
Interest:							
General Obligation Bonds:							
Series 2023	352,750	317,375	280,125	241,000	200,000	352,750	1,744,000
Total Interest	352,750	317,375	280,125	241,000	200,000	352,750	1,744,000
Total Principal and Interest	$ 1,042,750	$ 1,042,375	$ 1,045,125	$ 1,041,000	$ 1,040,000	$ 4,132,750	$ 9,344,000

7. CLAIMS AND JUDGMENTS

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

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2023 to 2024, and there were no settlements that exceeded insurance coverage in the past three years.

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

8. 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 1.00% contribution rate for the Death and Disability Program) was 13.88% and 13.11%, respectively, for the fiscal year ended June 30, 2023. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57%, respectively, for the fiscal year

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

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

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

8. DEFINED BENEFIT PENSION PLAN (CONT.)

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

The State of Kansas is required to contribute the statutory required employer's share except for returned 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 $1,095,521 for the year ended June 30, 2024.

Net Pension Liability. At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $10,093,446. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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, 2023. 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 publically available on the website at www.kpers.org or can be obtained as described above.

9. ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) FUNDING

The CARES Act also included Elementary and Secondary School Emergency Relief (ESSER) Funds for K-12 schools. The ESSER grants will provide school districts with emergency relief funds to address the impact COVID-19 has had on elementary and secondary schools. It is being allocated to the Districts in three phases, ESSER I, II, and III. The ESSER I under the Cares Act began in March 2020, the ESSER II under the CRRSA Act began in December 2020, and the ESSER III under the ARP Act began in March 2021. The District was allocated $184,052 for ESSER I, $723,530 for ESSER II, and $1,626,091 for ESSER III. As of June 30, 2024 the District spent all of ESSER I, $489,243 of ESSER II, and $1,262,944 of ESSER III.

10. CAPITAL PROJECTS

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

	Project Authorization	Expenditures to Date
Bond construction fund	$ 7,600,000	$ 2,504,663

11. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statements of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NUMBER 309
NICKERSON, KANSAS

REGULATORY–REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

Unified School District Number 309
Nickerson, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended June 30, 2024

	Certified Budget	Adjustments to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUNDS:						
General Fund	$ 10,068,389	$ (602,353)	$ 18,245	$ 9,484,281	$ 9,484,281	$ -
Supplemental General Fund	3,055,267	(175,864)	22,396	2,901,799	2,901,799	-
SPECIAL PURPOSE FUNDS:						
At Risk (4 Yr Old) Fund	91,000	-	-	91,000	60,247	(30,753)
At Risk (K-12) Fund	2,375,000	-	-	2,375,000	1,671,622	(703,378)
Bilingual Education Fund	41,000	-	-	41,000	33,206	(7,794)
Virtual Education Fund	271,000	-	-	271,000	160,963	(110,037)
Capital Outlay Fund	1,595,000	-	-	1,595,000	1,489,558	(105,442)
Driver Training Fund	14,000	-	-	14,000	14,000	-
Food Service Fund	1,056,500	-	-	1,056,500	915,920	(140,580)
Professional Development Fund	32,500	-	-	32,500	32,500	-
Parent Education Program Fund	25,000	-	-	25,000	17,615	(7,385)
Special Education Fund	2,185,100	-	-	2,185,100	1,954,422	(230,678)
Career and Postsecondary Education Fund	204,000	-	-	204,000	160,584	(43,416)
KPERS Special Retirement Contribution Fund	1,169,532	-	-	1,169,532	1,095,521	(74,011)
BOND AND INTEREST FUND:						
Bond and Interest Fund	173,694	-	-	173,694	173,694	-
Total	$ 22,356,982	$ (778,217)	$ 40,641	$ 21,619,406	$ 20,165,932	$ (1,453,474)

Unified School District Number 309
Nickerson, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 8,391,385	$ 8,206,539	$ 8,612,389	$ (405,850)
Special education aid	1,325,390	1,258,979	1,456,000	(197,021)
Reimbursement	8,084	18,245	-	18,245
Mineral production tax	625	518	-	518
Total Receipts	9,725,484	9,484,281	$ 10,068,389	$ (584,108)
Expenditures:				
Instruction	3,247,695	3,261,357	$ 3,240,000	$ 21,357
Student support services	282,393	279,062	290,500	(11,438)
Instructional support services	207,900	197,091	217,500	(20,409)
General administration	528,292	638,763	550,500	88,263
School administration	841,523	821,233	871,000	(49,767)
Central services	95,520	185,025	101,500	83,525
Operations and maintenance	451,190	539,792	714,000	(174,208)
Student transportation services	589,207	520,602	632,000	(111,398)
Outgoing Transfers -				
Transfer to Professional Development Fund	9,712	20,000	10,000	10,000
Transfer to Parent Education Fund	10,000	-	10,000	(10,000)
Transfer to Bilingual Education Fund	15,000	28,000	10,000	18,000
Transfer to Virtual Education Fund	65,000	50,000	200,000	(150,000)
Transfer to Special Education Fund	1,760,772	1,625,866	1,706,000	(80,134)
Transfer to Contingency Reserve Fund	139,685	-	-	-
Transfer to Textbook/Student Material Revolving Fund	20,000	7,511	20,000	(12,489)
Transfer to Capital Outlay	-	25,871	-	25,871
Transfer to Career and Postsecondary Education Fund	65,000	125,678	-	125,678
Transfer to At Risk (K-12) Fund	1,381,595	1,123,430	1,468,906	(345,476)
Transfer to At Risk (4 Yr Old) Fund	15,000	35,000	26,483	8,517
Adjustment to comply with legal max	-	-	(602,353)	602,353
Legal General Fund Budget	9,725,484	9,484,281	9,466,036	18,245
Adjustment for other reimbursed expenses	-	-	18,245	(18,245)
Total Expenditures	9,725,484	9,484,281	$ 9,484,281	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 309
Nickerson, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 1,260,128	$ 1,389,782	$ 1,532,266	$ (142,484)
Delinquent tax	34,044	24,610	16,704	7,906
Motor vehicle tax	142,699	118,293	137,767	(19,474)
Recreational vehicle tax	3,317	37,943	9,882	28,061
In lieu of tax	1,661	2,151	-	2,151
Reimbursements	16,983	22,396	20,000	2,396
Supplemental state aid	1,377,067	1,322,222	1,402,979	(80,757)
Total Receipts	2,835,899	2,917,397	$ 3,119,598	$ (202,201)
Expenditures:				
Instruction	1,027,126	994,631	$ 956,787	$ 37,844
Student support services	157,404	103,358	173,500	(70,142)
Instructional support services	124,379	131,803	141,000	(9,197)
General administration	37,588	47,862	47,000	862
School administration	75,093	77,249	81,000	(3,751)
Operations and maintenance	418,377	418,190	435,000	(16,810)
Vehicle operation services	4,915	9,913	5,000	4,913
Other support services	178,088	189,647	191,000	(1,353)
Community	10,689	11,650	5,000	6,650
Outgoing Transfers -				
Transfer to Bilingual Education Fund	32,393	5,759	30,693	(24,934)
Transfer to Professional Development Fund	24,980	4,180	20,000	(15,820)
Transfer to Parent Education Fund	14,959	17,615	15,000	2,615
Transfer to Special Education Fund	-	400,000	432,490	(32,490)
Transfer to Virtual Education Fund	204,968	110,670	-	110,670
Transfer to Career and Postsecondary Education Func	188,248	30,633	100,000	(69,367)
Transfer to Textbook/Student Material Revolving Fund	-	4,639	-	4,639
Transfer to At Risk (4 Yr Old) Fund	-	25,250	35,000	(9,750)
Transfer to At Risk (K-12) Fund	411,654	318,750	386,797	(68,047)
Adjustment to comply with legal max	-	-	(175,864)	175,864
Legal Supplemental General Fund Budget	2,910,861	2,901,799	2,879,403	22,396
Adjustment for other reimbursed expenses	-	-	22,396	(22,396)
Total Expenditures	2,910,861	2,901,799	$ 2,901,799	$ -
Receipts Over (Under) Expenditures	(74,962)	15,598		
Unencumbered Cash, Beginning	140,503	65,541		
Unencumbered Cash, Ending	$ 65,541	$ 81,139		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

AT RISK (4 YR OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 15,000	$ 35,000	$ 26,483	$ 8,517
Transfer from Supplemental General Fund	55,376	25,250	35,000	(9,750)
Total Receipts	70,376	60,250	$ 61,483	$ (1,233)
Expenditures:				
Instruction	59,405	60,247	$ 91,000	$ (30,753)
Receipts Over (Under) Expenditures	10,971	3		
Unencumbered Cash, Beginning	4,029	15,000		
Unencumbered Cash, Ending	$ 15,000	$ 15,003		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

AT RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 1,381,595	$ 1,123,430	$ 1,468,906	$ (345,476)
Transfer from Supplemental General Fund	356,278	318,750	386,797	(68,047)
Total Receipts	1,737,873	1,442,180	$ 1,855,703	$ (413,523)
Expenditures:				
Instruction	1,306,000	1,671,622	$ 2,375,000	$ (703,378)
Receipts Over (Under) Expenditures	431,873	(229,442)		
Unencumbered Cash, Beginning	419,750	851,623		
Unencumbered Cash, Ending	$ 851,623	$ 622,181		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 15,000	$ 28,000	$ 10,000	$ 18,000
Transfer from Supplemental General Fund	32,393	5,759	30,693	(24,934)
Total Receipts	47,393	33,759	$ 40,693	$ (6,934)
Expenditures:				
Instruction	32,393	33,206	$ 41,000	$ (7,794)
Receipts Over (Under) Expenditures	15,000	553		
Unencumbered Cash, Beginning	-	15,000		
Unencumbered Cash, Ending	$ 15,000	$ 15,553		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Tuition	$ -	$ 600	$ -	$ 600
Transfer from General Fund	65,000	50,000	200,000	(150,000)
Transfer from Supplemental General Fund	204,968	110,670	-	110,670
Total Receipts	269,968	161,270	$ 200,000	$ (38,730)
Expenditures:				
Instruction	204,968	160,963	$ 271,000	$ (110,037)
Receipts Over (Under) Expenditures	65,000	307		
Unencumbered Cash, Beginning	-	65,000		
Unencumbered Cash, Ending	$ 65,000	$ 65,307		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 668,550	$ 705,628	$ 718,392	$ (12,764)
Delinquent tax	17,840	22,069	8,848	13,221
Motor vehicle tax	79,905	81,903	74,417	7,486
Recreational vehicle tax	1,857	1,724	5,337	(3,613)
In lieu tax	869	1,089	-	1,089
Interest on idle funds	29,044	76,135	-	76,135
Capital outlay state aid	265,534	287,122	287,150	(28)
Transfer from General Fund	-	25,871	-	25,871
Total Receipts	1,063,599	1,201,541	$ 1,094,144	$ 107,397
Expenditures:				
Instruction	172,546	758,858	$ 125,000	$ 633,858
Administration	3,299	-	15,000	(15,000)
Operations and maintenance	810,410	589,223	630,000	(40,777)
Student transportation services	30	40,260	5,000	35,260
Tech maintenance support	43,213	36,213	45,000	(8,787)
Architect fees	38,713	59,128	125,000	(65,872)
Construction	58,748	5,876	650,000	(644,124)
Total Expenditures	1,126,959	1,489,558	$ 1,595,000	$ (105,442)
Receipts Over (Under) Expenditures	(63,360)	(288,017)		
Prior Year Cancelled Encumbrance	-	6,284		
Unencumbered Cash, Beginning	1,650,715	1,587,355		
Unencumbered Cash, Ending	$ 1,587,355	$ 1,305,622		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Fees	$ 912	$ 3,222	$ -	$ 3,222
State aid	9,136	8,555	6,750	1,805
Total Receipts	10,048	11,777	$ 6,750	$ 5,027
Expenditures:				
Instruction	11,942	14,000	$ 14,000	$ -
Receipts Over (Under) Expenditures	(1,894)	(2,223)		
Unencumbered Cash, Beginning	27,470	25,576		
Unencumbered Cash, Ending	$ 25,576	$ 23,353		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Student sales	$ 165,393	$ 142,830	$ 157,574	$ (14,744)
Other revenue	4,635	12,265	1,000	11,265
Reimbursement	12,575	-	-	-
Food service state aid	5,995	5,646	4,600	1,046
Federal aid	698,567	617,351	562,656	54,695
Transfer from General Fund	3,107	-	-	-
Total Receipts	890,272	778,092	$ 725,830	$ 52,262
Expenditures:				
Instruction	31,850	35,932	$ 135,500	$ (99,568)
Food service operation	851,266	879,988	921,000	(41,012)
Total Expenditures	883,116	915,920	$ 1,056,500	$ (140,580)
Receipts Over (Under) Expenditures	7,156	(137,828)		
Unencumbered Cash, Beginning	355,803	362,959		
Unencumbered Cash, Ending	$ 362,959	$ 225,131		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State sources	$ 5,651	$ 5,348	$ 6,000	$ (652)
Reimbursed expenses	-	3,000	-	3,000
Transfer from General Fund	-	20,000	10,000	10,000
Transfer from Supplemental General Fund	24,980	4,180	20,000	(15,820)
Total Receipts	30,631	32,528	$ 36,000	$ (3,472)
Expenditures:				
Other support services	32,500	32,500	$ 32,500	$ -
Receipts Over (Under) Expenditures	(1,869)	28		
Unencumbered Cash, Beginning	3,007	1,138		
Unencumbered Cash, Ending	$ 1,138	$ 1,166		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 10,000	$ -	$ 10,000	$ (10,000)
Transfer from Supplemental General Fund	14,959	17,615	15,000	2,615
Total Receipts	24,959	17,615	$ 25,000	$ (7,385)
Expenditures:				
Student support services	14,959	17,615	$ 25,000	$ (7,385)
Receipts Over (Under) Expenditures	10,000	-		
Unencumbered Cash, Beginning	-	10,000		
Unencumbered Cash, Ending	$ 10,000	$ 10,000		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 17,079	$ 79,193	$ 50,000	$ 29,193
Federal aid	41,841	-	-	-
Transfer from General Fund	1,760,772	1,625,866	1,706,000	(80,134)
Transfer from Supplemental General Fund	-	400,000	432,490	(32,490)
Total Receipts	1,819,692	2,105,059	$ 2,188,490	$ (83,431)
Expenditures:				
Instruction	1,544,292	1,762,631	$ 2,050,000	$ (287,369)
Student support services	3,113	2,227	-	2,227
Student transportation services	143,853	189,564	135,100	54,464
Total Expenditures	1,691,258	1,954,422	$ 2,185,100	$ (230,678)
Receipts Over (Under) Expenditures	128,434	150,637		
Unencumbered Cash, Beginning	-	128,434		
Unencumbered Cash, Ending	$ 128,434	$ 279,071		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Reimbursements	$ 6,526	$ -	$ -	$ -
State aid	-	9,434	-	9,434
Transfer from General Fund	65,000	125,678	-	125,678
Transfer from Supplemental General Fund	188,248	30,633	100,000	(69,367)
Total Receipts	259,774	165,745	$ 100,000	$ 65,745
Expenditures:				
Instruction	194,774	160,560	$ 203,000	$ (42,440)
Operations and maintenance	-	24	1,000	(976)
Total Expenditures	194,774	160,584	$ 204,000	$ (43,416)
Receipts Over (Under) Expenditures	65,000	5,161		
Prior year cancelled encumbrance	-	1,740		
Unencumbered Cash, Beginning	-	65,000		
Unencumbered Cash, Ending	$ 65,000	$ 71,901		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 1,093,021	$ 1,095,521	$ 1,169,532	$ (74,011)
Expenditures:				
Employee Benefits -				
Instruction	655,811	657,311	$ 695,000	$ (37,689)
Student support services	54,651	54,776	65,000	(10,224)
Instruction support staff	54,651	54,776	65,000	(10,224)
General administration	54,651	54,776	65,000	(10,224)
School administration	87,442	87,642	95,000	(7,358)
Operations and maintenance	87,442	87,642	95,000	(7,358)
Student transportation services	32,791	32,866	45,000	(12,134)
Food service operations	32,791	32,866	4,532	28,334
Other support services	32,791	32,866	40,000	(7,134)
Total Expenditures	1,093,021	1,095,521	$ 1,169,532	$ (74,011)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Transfer from General	$ 139,685	$ -
Expenditures:		
Instruction	-	177,275
Receipts Over (Under) Expenditures	139,685	(177,275)
Unencumbered Cash, Beginning	327,803	467,488
Unencumbered Cash, Ending	$ 467,488	$ 290,213

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

GIFTS AND GRANTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Grants and donations	$ 136,040	$ (23,866)
State aid	149,476	75,644
Benefit bank	(8,288)	2,894
All in for Kansas kids	137,387	23,962
Total Receipts	414,615	78,634
Expenditures:		
Instruction	270,074	66,918
Community	-	10,000
All in for Kansas kids	80,460	77,237
Feeding Kansas kids grant	-	885
Total Expenditures	350,534	155,040
Receipts Over (Under) Expenditures	64,081	(76,406)
Unencumbered Cash, Beginning	11,496	75,577
Unencumbered Cash, Ending	$ 75,577	$ (829)

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TEXTBOOK/STUDENT MATERIAL REVOLVING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Fees	$ 14,711	$ 20,567
Transfer from General Fund	20,000	7,511
Transfer from Supplemental General Fund	-	4,639
Total Receipts	34,711	32,717
Expenditures:		
Instruction	85,775	73,760
Receipts Over (Under) Expenditures	(51,064)	(41,043)
Prior year cancelled encumbrances	-	185
Unencumbered Cash, Beginning	91,923	40,859
Unencumbered Cash, Ending	$ 40,859	$ 1

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

DAYCARE PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Growth, Inc reimbursement	$ -	$ 124,200
Expenditures:		
Instruction	-	124,200
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

UNIVERSAL PRESCHOOL GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
State aid	$ -	$ 100,800
Federal aid	-	114,808
Enrollment	-	2,727
Total Receipts	-	218,335
Expenditures:		
Instruction	-	204,303
Receipts Over (Under) Expenditures	-	14,032
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 14,032

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF II FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Federal aid	$ 239,700	$ -
Expenditures:		
Instruction	225,833	409
Student transportation services	2,721	105
Total Expenditures	228,554	514
Receipts Over (Under) Expenditures	11,146	(514)
Unencumbered Cash, Beginning	(10,632)	514
Unencumbered Cash (Deficit), Ending	$ 514	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF III FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Federal aid	$ 317,310	$ 915,217
Expenditures:		
Instruction	169,484	628,292
Student transportation services	348	1,748
Other support services	8,316	120,850
Building improvement	-	70,771
New building	10,000	44,176
Total Expenditures	188,148	865,837
Receipts Over (Under) Expenditures	129,162	49,380
Unencumbered Cash, Beginning	(208,338)	(79,176)
Unencumbered Cash (Deficit), Ending	$ (79,176)	$ (29,796)

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Federal grant	$ 205,754	$ 219,573
Expenditures:		
Instruction	213,705	46,541
Receipts Over (Under) Expenditures	(7,951)	173,032
Unencumbered Cash, Beginning	7,951	-
Unencumbered Cash, Ending	$ -	$ 173,032

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TITLE II-A FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Federal aid	$ 32,031	$ 36,810
Expenditures:		
Instruction	19,319	19,380
Receipts Over (Under) Expenditures	12,712	17,430
Unencumbered Cash, Beginning	(12,712)	-
Unencumbered Cash, Ending	$ -	$ 17,430

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TITLE IV FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Federal aid	$ 20,580	$ 20,880
Expenditures:		
Instruction	20,223	20,844
Other professional services	350	36
Total Expenditures	20,573	20,880
Receipts Over (Under) Expenditures	7	-
Unencumbered Cash, Beginning	(7)	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

COVID TESTING GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Federal aid	$ 222,966	$ 128,040
Expenditures:		
Instruction	170,875	13,108
Other professional services	27,020	28,805
Operations and maintenance	6,470	387
Total Expenditures	204,365	42,300
Receipts Over (Under) Expenditures	18,601	85,740
Unencumbered Cash, Beginning	-	18,601
Unencumbered Cash, Ending	$ 18,601	$ 104,341

Unified School District Number 309
Nickerson, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		2024		
	2023 Actual	Actual	2024 Budget	Variance 2024 (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ -	$ 876,631	$ 884,587	$ (7,956)
Delinquent tax	885	1,063	-	1,063
In lieu of taxes	-	1,420	-	1,420
Total Receipts	885	879,114	$ 884,587	$ (5,473)
Expenditures:				
Interest	-	173,694	$ 173,694	$ -
Receipts Over (Under) Expenditures	885	705,420		
Unencumbered Cash, Beginning	362,833	363,718		
Unencumbered Cash, Ending	$ 363,718	$ 1,069,138		

Unified School District Number 309
Nickerson, Kansas

CAPITAL PROJECT FUND

BOND CONSTRUCTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	2023 Actual	2024 Actual
Receipts:		
Bond proceeds	$ -	$ 8,009,268
Interest income	-	434,787
Total Receipts	-	8,444,055
Expenditures:		
Site improvements	-	2,504,663
Receipts Over (Under) Expenditures	-	5,939,392
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 5,939,392

Unified School District Number 309
Nickerson, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations:				
High School:				
Class of 2023	$ (988)	$ -	$ -	$ (988)
Class of 2024	3,779	1,385	3,811	1,353
Class of 2025	415	174	111	478
HCC English	1,080	-	64	1,016
HCC Math	600	-	600	-
Cheerleaders	2,119	4,918	4,637	2,400
Faculty Fund	1,554	205	360	1,399
Debate	988	3,456	2,899	1,545
Forensics	738	5,421	3,843	2,316
Art Class	1,040	417	183	1,274
FBLA	5,809	21,022	19,247	7,584
FCCLA	1,450	250	833	867
Key Club	50	-	-	50
Instrumental Music	1,408	32,512	29,695	4,225
Vocal Music	161	72	-	233
Madrigals	185	2,037	1,528	694
Yearbook Publications	6,178	6,390	6,913	5,655
Production Metals	(20)	-	-	(20)
Scholars Bowl	514	3,362	2,360	1,516
Productions/Musical	5,051	2,754	5,548	2,257
School Play	100	1,097	967	230
Science club	50	-	-	50
Madrigals Trip	1,318	3,241	1,406	3,153
Drama Club	(11)	-	403	(414)
Skills USA	817	974	1,394	397
STUCO-General	4,089	3,069	3,953	3,205
Entrepreneurship	309	-	-	309
FCA	944	-	-	944
Panther TV Group	1,943	1,690	3,208	425
Scholarships	3,252	1,124	3,613	763
Panther Pride Education	1,058	-	-	1,058
Hutchinson Community	1,002	-	-	1,002
Prarie Quilt Guild Grant	1,434	200	766	868
Social/Emotional	523	400	-	923
Jones's Scholarship	-	6,000	500	5,500
Cargill Grant 2024 - Metals	-	10,000	3,197	6,803
Football Fundraising	3,926	10,408	14,153	181
Boys Baskebtall Fundraising	1,561	8,265	7,660	2,166
Soccer Fundraising	2,506	-	1,669	837
Baseball Fundraising	3,136	6,594	4,853	4,877
Volleyball Fundraising	1,464	896	664	1,696
Girls Golf Fundraising	-	100	100	-
Track Fundraising	1,008	3,973	4,452	529
Boys Golf Fundraising	11	-	-	11
Softball Fundraising	420	2,990	470	2,940
Girls Basketball Fundraising	444	4,236	2,185	2,495
Girls Tennis Fundraising	86	-	-	86
Wrestling Fundraising	1,420	3,047	3,566	901
Cross Country Fundraisers	1,223	1,181	1,130	1,274
Weightlifting	942	-	19	923
SPED Fundraising	452	684	695	441
Total High School Funds	67,538	154,544	143,655	78,427

Unified School District Number 309
Nickerson, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations (cont.):				
Middle School:				
7th Grade	$ 161	$ 260	$ 991	$ (570)
8th Grade	773	698	1,258	213
PAWS	1,054	4,477	3,606	1,925
Instrumental Music	277	11,558	5,660	6,175
Yearbook/Publications	840	-	-	840
STUCO-General	410	720	623	507
Total Middle School Funds	3,515	17,713	12,138	9,090
Nickerson Elementary School:				
Stuco General	5,451	5,745	9,897	1,299
NES/CO Yearbook	156	76	-	232
5K Run	2,926	-	-	2,926
Total Nickerson Elementary School Funds	8,533	5,821	9,897	4,457
South Hutchinson Elementary School:				
Spirit Account	-	-	-	-
Yearbook	3,795	1,227	2,244	2,778
Food Pantry	2,394	-	185	2,209
STUCO-General	1,085	2,202	2,006	1,281
Total South Hutchinson Elementary School	7,274	3,429	4,435	6,268
Total Student Organization Funds	$ 86,860	$ 172,257	$ 155,793	$ 98,242
Sales Tax Funds:				
High School	-	4,370	4,290	80
Reno Valley Middle School	6	(90)	-	(84)
Total Sales Tax Funds	6	4,280	4,290	(4)
Total Agency Funds	$ 86,866	$ 176,537	$ 160,083	$ 98,238

Unified School District Number 309
Nickerson, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
User Fees						
South Hutchinson Elementary - Small Grant	$ 29,347	$ 27,145	$ 32,113	$ 24,379	$ -	$ 24,379
South Hutchinson Elementary - Fees Owed to District	292	23,193	22,952	533	-	533
Nickerson Elementary - Small Grants	5,148	2,523	1,659	6,012	-	6,012
Nickerson Elementary - Fees Owed to District	1,227	14,199	14,420	1,006	-	1,006
Reno Valley Middle School - Fees Owed to District	258	19,341	19,180	419	-	419
Reno Valley Middle School - School Projects	3,587	10,000	4,686	8,901	-	8,901
Reno Valley Middle School - Concession/Vending Machines	1,893	3,010	3,338	1,565	-	1,565
High School - Concession/Vending	6,254	24,145	28,792	1,607	-	1,607
High School - Fees Owed to District	487	35,869	34,765	1,591	-	1,591
Total User Fees	48,493	159,425	161,905	46,013	-	46,013
Gate Receipts:						
Reno Valley Middle School						
Boys Basketball	13	122	-	135	-	135
Girls Basketball	119	152	161	110	-	110
Football	935	1,412	1,578	769	-	769
Track Boys	298	1,748	1,238	808		808
Volleyball	8	2,847	2,130	725	-	725
Nickerson High School	21,146	28,758	44,614	5,290	-	5,290
Total Gate Receipts	22,519	35,039	49,721	7,837	-	7,837
Total District Activity Funds	$ 71,012	$ 194,464	$ 211,626	$ 53,850	$ -	$ 53,850

SINGLE AUDIT SECTION

LOYD GROUP, LLC

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

Board of Education
Unified School District 309
Nickerson, KS 67561

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statement of Unified School District Number 309, Kansas, (District) as of and for the year ended June 30, 2024, and the related notes to the financial statement which collectively comprise the District's basic financial statement, and have issued our report thereon dated October 1, 2024.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of 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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
October 1, 2024

LOYD GROUP, LLC

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

Board of Education
Unified School District 309
Nickerson, KS 67561

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District Number 309's (the 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, 2024. The District'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, 2024.

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 (GAAS); the *Kansas Municipal Audit and Accounting Guide;* the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 GAAS, *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 GAAS, *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.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
October 1, 2024

Unified School District Number 309
Nickerson, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing	Grant Number	Disbursements/ Expenditures
U.S. Department of Education			
COVID-19 Elementary and Secondary School Emergency Relief Fund II	84.425D	DO309	$ 514
COVID-19 Elementary and Secondary School Emergency Relief Fund III	84.425U	DO309	865,837
Title I Part A Basic Grants to LEAs	84.010	DO309	46,541
Supporting Effective Instruction	84.367	DO309	19,380
Student Support And Academic Enrichment	84.424	DO309	20,880
TOTAL U.S. DEPARTMENT OF EDUCATION			953,152
U.S. Department of Health and Human Servies			
Passed Through State Department of Education			
TANF - Early Learning Kansans	93.558	DO309	114,808
COVID-19 COVID Testing	93.323	DO309	42,300
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			157,108
U.S. Department of Agriculture			
Passed Through State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	DO309	109,526
National School Lunch Program	10.555	DO309	359,662
Summer Food Service Program for Children	10.559	DO309	127,973
Total Child Nutrition Cluster			597,161
Local Food For Schools	10.558	DO309	6,844
Fresh Fruit and Vegetable	10.582	DO309	13,346
TOTAL U.S. DEPARTMENT OF AGRICULTURE			617,351
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			$ 1,727,611

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Unified School District Number 309, Nickerson Kansas (the District), under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using a regulatory basis of accounting prescribed by the Kansas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

(1) Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) The District has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 - Funds Expended

Funds where Federal expenditures were receipted and expended:

Food Service Fund	$	617,351
Universal Preschool Grant Fund		114,808
COVID Testing Grant Fund		42,300
Title I Fund		46,541
Title IIA Fund		19,380
Title IV Fund		20,880
Elementary and Secondary School Emergency Relief II Fund		514
Elementary and Secondary School Emergency Relief III Fund		865,837
Total	$	1,727,611

Unified School District Number 309
Nickerson, Kansas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Section 1 – Summary of Auditor's Results

Financial Statements

1. Type of auditor's opinion issued on whether the financial statements audited were prepared in accordance with GAAP:	Adverse
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
3. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of major programs:	

Name of Federal Program or Cluster	CFDA Number
Elementary and Secondary School Emergency Relief	84.425U

5. Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	No

Section 2 – Findings – Financial Statement Audit

There were no reportable findings.

Section 3 – Findings and Questioned Costs – Major Federal Award Programs

U.S. DEPARTMENT OF EDUCATION

Elementary and Secondary School Emergency Relief – CFDA 84.425U

There were no reportable findings.