UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
and
UNIFORM GUIDANCE REPORTS

YEAR ENDED JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 363
Holcomb, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 363, 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 Unified School District No. 363, 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 balances of Unified School District No. 363, 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 A.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Unified School District No. 363 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 A of the financial statement, the financial statement is prepared by Unified School District No. 363 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 A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; 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, which raise substantial doubt about Unified School District No. 363's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the 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 Unified School District No. 363'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, which raise substantial doubt about Unified School District No. 363'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 (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures and unencumbered cash – district activity funds, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedule of expenditures of federal awards is presented for additional analysis as required by the Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial 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 A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 363 as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated January 13, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the website of the Kansas Department of Administration at the following link: http://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures 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 A.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2025, on our consideration of Unified School District No. 363'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District No. 363's internal control over financial reporting and compliance.

Kennedy McKee & Company LLP

January 16, 2025

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended June 30, 2024

Fund	Beginning unencumbered cash balance (deficit)	Prior year canceled encumbrances
General funds:		
General	$ -	$ -
Supplemental general	100,098	12
Total general funds	100,098	12
Special purpose funds:		
Bilingual education	152,862	-
Virtual education	55,129	-
Capital outlay	1,835,202	5,853
Driver training	45,927	-
Food service	200,094	-
Professional development	88,994	-
Parents as teachers	16,463	-
Special education	695,857	-
Career and postsecondary education	201,185	-
Preschool-aged at-risk	144,495	-
At-risk (K-12)	1	-
KPERS special retirement contribution	-	-
Recreation commission	-	-
Recreation commission employee benefits	-	-
Non-budgeted special purpose funds:		
Title II-A	-	-
Gift	14,275	129
Title I-A	-	-
Federal grants	(1,310)	-
Holowach estate	609,542	-
Health council	6,728	-
Contingency reserve	819,322	-
Student materials	122,127	264
District activity funds	36,867	-
Total special purpose funds	5,043,760	6,246
Bond and interest fund:		
Bond and interest	906,697	-
Total Unified School District No. 363 (excluding agency funds)	$ 6,050,555	$ 6,258

Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
$ 8,379,359	$ 8,379,359	$ -	$ 237,041	$ 237,041
2,793,427	2,792,996	100,541	73,118	173,659
11,172,786	11,172,355	100,541	310,159	410,700
131,336	132,013	152,185	6,537	158,722
42,400	57,918	39,611	3,924	43,535
1,826,885	1,816,336	1,851,604	644,067	2,495,671
11,115	13,223	43,819	4,197	48,016
571,652	604,997	166,749	13,805	180,554
4,951	37,138	56,807	5,996	62,803
72,992	74,388	15,067	1,501	16,568
869,634	995,402	570,089	-	570,089
125,000	176,899	149,286	15,816	165,102
115,840	146,800	113,535	9,474	123,009
1,707,127	1,707,127	1	127,582	127,583
1,015,850	1,015,850	-	-	-
448,894	448,894	-	-	-
124,728	124,728	-	-	-
19,119	19,119	-	977	977
32,907	4,804	42,507	164	42,671
179,047	179,047	-	9,764	9,764
856,398	928,367	(73,279)	26,565	(46,714)
23,433	1,500	631,475	-	631,475
-	-	6,728	-	6,728
-	-	819,322	-	819,322
60,508	17,373	165,526	107	165,633
162,005	153,608	45,264	-	45,264
8,401,821	8,655,531	4,796,296	870,476	5,666,772
338,788	344,350	901,135	-	901,135
$ 19,913,395	$ 20,172,236	$ 5,797,972	$ 1,180,635	$ 6,978,607

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year Ended June 30, 2024

	Ending cash balance
Composition of cash:	
Demand deposits	$ 6,333,568
Certificates of deposit	784,217
	7,117,785
Agency funds	(139,178)
Total Unified School District No. 363 (excluding agency funds)	$ 6,978,607

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

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

NOTES TO THE FINANCIAL STATEMENT

June 30, 2024

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

   Unified School District No. 363 is a municipal corporation governed by an elected seven-member board. A related municipal entity is an entity established to benefit the District and/or its constituents. This financial statement does not include the following related municipal entity:

   Holcomb Recreation Commission. The Commission oversees recreational activities. Four of the five members of the governing board are appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation – Fund Accounting

   The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

   The following types of funds comprise the financial activities of the District for the year ended June 30, 2024:

   REGULATORY BASIS FUND TYPES

   General funds – the chief operating funds. 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, etc.) and payment of general long-term debt.

   Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (student organization funds, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. 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.

4. Budgetary Information

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

a. Preparation of the budget for the succeeding fiscal year on or before August 1st.

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

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

d. 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. For the current year, the municipality did hold a revenue neutral rate hearing.

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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for state and federal grant funds, agency funds, and the following special purpose funds:

Gift	Contingency Reserve
Holowach Estate	Student Materials
Health Council	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.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although the Federal Grants fund overspent its cash by $46,714 according to K.S.A. 12-1664, the District is not prohibited from financing the federal share of a local program from current funds, if available.

C. DEPOSITS AND INVESTMENTS

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

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

C. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2024.

At June 30, 2024, the District's carrying amount of deposits was $7,117,785, and the bank balance was $7,946,814. Of the bank balance, $1,034,217 was covered by federal depository insurance and $6,912,597 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

D. LONG-TERM DEBT

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

Issue	Balance beginning of year	Additions/ net change	Reductions/ net change	Balance end of year	Interest paid
General obligation bonds:					
Series 2017					
Issued December 28, 2017					
In the amount of $4,040,000					
At interest rate of 3.00%					
Maturing September 1, 2033	$3,270,000	$ -	$ 250,000	$3,020,000	$ 94,350

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	Principal due	Interest due	Total due
2025	$ 260,000	$ 86,700	$ 346,700
2026	270,000	78,750	348,750
2027	280,000	70,500	350,500
2028	285,000	62,025	347,025
2029	295,000	53,325	348,325
2030-2034	1,630,000	125,550	1,755,550
Total	$ 3,020,000	$ 476,850	$ 3,496,850

E. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project commitments authorized	Cash disbursements and accounts payable to date	Remaining financial commitment
Restroom/Concessions Building	$ 1,016,258	$ 495,765	$ 520,493

F. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org, 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 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% for the fiscal year ended June 30, 2024.

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

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

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate which totaled $1,015,850 for the year ended June 30, 2024.

F. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $9,241,225. 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 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.

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post-employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level 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.

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 was set at 1% for the year ended June 30, 2024.

Section 125 plan. The District offers a Section 125 Flexible Benefit Plan to all eligible employees. It is used for unreimbursed medical and dependent care expenses. The plan is administered by an independent company.

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Compensated absences. The District's policy is to recognize the costs of compensated absences when actually paid. District policies address vacation for employees on twelve-month contracts and sick leave for all full-time employees. Employees on twelve-month contracts receive two weeks of vacation per year. After an employee has worked for the District for five years, they receive an additional day of vacation for each year until they receive a maximum of fifteen days of vacation. The Superintendent's vacation is noted in his contract and is normally twenty days. Vacation may be accumulated to twice the employee's annual allotment and if not used it will be lost. Upon retirement, termination, or resignation, the District pays for any accumulated vacation days. Certified employees on salary receive fifteen days of sick leave annually. Classified employees receive one sick day per month worked. An employee may not carry over more than one hundred sick days from year to year. Policies permit unused sick leave to be reimbursed if the employee has been with the District for more than fifteen years and retires or resigns at the end of the school year. The District pays for accumulated sick leave at a rate of $1.00 per day per year of service. After twenty-five years of service the rate increases to $1.50 per day per year of service.

The potential liability for vacation and sick leave for the years ended June 30, 2024 and 2023 was $84,636 and $85,865, respectively.

H. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Amount	Regulatory authority
General fund	Virtual education fund	$ 22,400	K.S.A. 72-5167
General fund	Capital outlay fund	700,000	K.S.A. 72-5167
General fund	Special education fund	586,327	K.S.A. 72-5167
General fund	At-risk (K-12) fund	1,322,880	K.S.A. 72-5167
Total general fund		2,631,607	
Supplemental general fund	Bilingual education fund	131,336	K.S.A. 72-5143
Supplemental general fund	Virtual education fund	20,000	K.S.A. 72-5143
Supplemental general fund	Food service fund	73,659	K.S.A. 72-5143
Supplemental general fund	Parents as teachers fund	23,400	K.S.A. 72-5143
Supplemental general fund	Special education fund	117,484	K.S.A. 72-5143
Supplemental general fund	Career and postsecondary education fund	125,000	K.S.A. 72-5143
Supplemental general fund	Preschool-aged at-risk fund	100,000	K.S.A. 72-5143
Supplemental general fund	At-risk (K-12) fund	384,247	K.S.A. 72-5143
Total supplemental general fund		975,126	
Total operating transfers		$3,606,733	

I. 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 purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

J. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on this financial statement.

K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 16, 2025, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2024

Fund	Certified budget	Adjustment to comply with legal maximum budget	Adjustment for qualifying budget credits	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General funds:						
General	$ 8,445,344	$ (66,413)	$ 428	$ 8,379,359	$ 8,379,359	$ -
Supplemental general	2,806,390	(13,394)	-	2,792,996	2,792,996	-
Special purpose funds:						
Bilingual education	175,092	-	-	175,092	132,013	43,079
Virtual education	58,303	-	-	58,303	57,918	385
Capital outlay	2,896,391	-	-	2,896,391	1,816,336	1,080,055
Driver training	14,308	-	-	14,308	13,223	1,085
Food service	722,379	-	-	722,379	604,997	117,382
Professional development	43,000	-	-	43,000	37,138	5,862
Parents as teachers	74,388	-	-	74,388	74,388	-
Special education	1,044,954	-	-	1,044,954	995,402	49,552
Career and postsecondary education	182,607	-	-	182,607	176,899	5,708
Preschool-aged at-risk	148,211	-	-	148,211	146,800	1,411
At-risk (K-12)	1,707,219	-	-	1,707,219	1,707,127	92
KPERS special retirement contribution	1,085,048	-	-	1,085,048	1,015,850	69,198
Recreation commission	463,900	-	-	463,900	448,894	15,006
Recreation commission employee benefits	128,900	-	-	128,900	124,728	4,172
Bond and interest fund:						
Bond and interest	344,350	-	-	344,350	344,350	-
Total	$ 20,340,784	$ (79,807)	$ 428	$ 20,261,405	$ 18,868,418	$ 1,392,987

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
In lieu of tax	$ 2,187	$ 4,936	$ -	$ 4,936
State sources:				
State aid	7,323,243	7,720,499	7,680,355	40,144
Special education aid	541,469	586,327	661,989	(75,662)
State aid - reimbursement	1,828	428	-	428
Mineral production tax	102,360	67,169	103,000	(35,831)
Total receipts	7,971,087	8,379,359	$ 8,445,344	$ (65,985)
Expenditures:				
Instruction	2,866,284	2,686,312	$ 3,148,029	$ 461,717
Student support services	13,378	24,373	14,500	(9,873)
Instructional support staff	56,957	49,276	59,920	10,644
General administration	345,498	377,605	370,907	(6,698)
School administration	623,303	628,497	639,269	10,772
Central services	390,830	523,314	527,563	4,249
Operations and maintenance	958,406	1,013,935	1,058,208	44,273
Student transportation services:				
Supervision	37,968	39,153	39,153	-
Vehicle operating services	246,207	278,057	273,365	(4,692)
Vehicle and maintenance services	153,374	127,230	131,143	3,913
Operating transfers	2,278,882	2,631,607	2,183,287	(448,320)
Adjustment to comply with legal maximum budget	-	-	(66,413)	(66,413)
Legal general fund budget	7,971,087	8,379,359	8,378,931	(428)
Adjustment for qualifying budget credit	-	-	428	428
Total expenditures	7,971,087	8,379,359	$ 8,379,359	$ -
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	$ -	$ -		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	$ 1,893,499	$ 2,078,149	$ 2,035,394	$ 42,755
Delinquent	14,037	11,919	19,159	(7,240)
Motor vehicle	94,904	91,470	80,880	10,590
Recreational vehicle	1,855	1,757	1,668	89
In lieu of tax	3,581	4,331	-	4,331
Supplemental state aid	568,406	605,801	608,706	(2,905)
Total receipts	2,576,282	2,793,427	$ 2,745,807	$ 47,620
Expenditures:				
Instruction	671,149	1,132,456	$ 712,353	$ (420,103)
Student support services	119,872	118,579	123,933	5,354
School administration	1,600	1,600	2,000	400
Central services	547	1,295	550	(745)
Operations and maintenance	586,570	563,940	629,312	65,372
Operating transfers	1,242,061	975,126	1,338,242	363,116
Adjustment to comply with legal maximum budget	-	-	(13,394)	(13,394)
Total expenditures	2,621,799	2,792,996	$ 2,792,996	$ -
Receipts over (under) expenditures	(45,517)	431		
Unencumbered cash, beginning of year	145,615	100,098		
Prior year canceled encumbrances	-	12		
Unencumbered cash, end of year	$ 100,098	$ 100,541		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from supplemental general	$ 275,650	$ 131,336	$ 175,092	$ (43,756)
Expenditures:				
Instruction	152,888	132,013	$ 175,092	$ 43,079
Receipts over (under) expenditures	122,762	(677)		
Unencumbered cash, beginning of year	30,100	152,862		
Unencumbered cash, end of year	$ 152,862	$ 152,185		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from general	$ 110,206	$ 22,400	$ 58,303	$ (35,903)
Transfer from supplemental general	-	20,000	-	20,000
Total receipts	110,206	42,400	$ 58,303	$ (15,903)
Expenditures:				
Instruction	55,077	57,918	$ 58,303	$ 385
Receipts over (under) expenditures	55,129	(15,518)		
Unencumbered cash, beginning of year	-	55,129		
Unencumbered cash, end of year	$ 55,129	$ 39,611		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	$ 920,432	$ 947,573	$ 927,638	$ 19,935
Delinquent	5,347	5,185	9,349	(4,164)
Motor vehicle	25,465	37,787	33,807	3,980
Recreational vehicle	479	717	697	20
In lieu of tax	1,748	1,974	-	1,974
Interest	4,113	52,573	-	52,573
Federal aid	23,773	-	-	-
State aid	65,157	9,684	9,698	(14)
Miscellaneous	66,581	71,392	80,000	(8,608)
Transfer from general	59,552	700,000	-	700,000
Total receipts	1,172,647	1,826,885	$ 1,061,189	$ 765,696
Expenditures:				
Instruction	280,090	138,320	$ 280,680	$ 142,360
Student support services	3,098	229	10,000	9,771
Instructional support staff	3,039	-	20,000	20,000
General administration	-	2,324	17,000	14,676
School administration	-	-	5,000	5,000
Central services	-	-	10,000	10,000
Operations and maintenance	394,073	338,118	382,000	43,882
Transportation	2,762	231,106	170,000	(61,106)
Facility acquisition and construction services	448,104	1,106,239	2,001,711	895,472
Total expenditures	1,131,166	1,816,336	$ 2,896,391	$ 1,080,055
Receipts over (under) expenditures	41,481	10,549		
Unencumbered cash, beginning of year	1,791,352	1,835,202		
Prior year canceled encumbrances	2,369	5,853		
Unencumbered cash, end of year	$ 1,835,202	$ 1,851,604		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
State aid	$ 8,260	$ 7,395	$ 7,425	$ (30)
Other	8,615	3,720	11,900	(8,180)
Total receipts	16,875	11,115	$ 19,325	$ (8,210)
Expenditures:				
Instruction	13,691	13,223	$ 14,308	$ 1,085
Receipts over (under) expenditures	3,184	(2,108)		
Unencumbered cash, beginning of year	42,743	45,927		
Unencumbered cash, end of year	$ 45,927	$ 43,819		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Federal aid	$ 424,124	$ 381,038	$ 410,836	$ (29,798)
State aid	4,441	4,327	3,488	839
Charges for services	121,512	112,138	122,541	(10,403)
Other	988	490	5,000	(4,510)
Transfer from general	39,444	-	-	-
Transfer from supplemental general	-	73,659	167,320	(93,661)
Total receipts	590,509	571,652	$ 709,185	$ (137,533)
Expenditures:				
Food service operations	615,285	604,997	$ 722,379	$ 117,382
Receipts over (under) expenditures	(24,776)	(33,345)		
Unencumbered cash, beginning of year	224,870	200,094		
Unencumbered cash, end of year	$ 200,094	$ 166,749		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
State aid	$ 4,114	$ 4,951	$ 7,500	$ (2,549)
Transfer from supplemental general	32,995	-	35,500	(35,500)
Total receipts	37,109	4,951	$ 43,000	$ (38,049)
Expenditures:				
Instructional support staff	32,995	37,138	$ 43,000	$ 5,862
Receipts over (under) expenditures	4,114	(32,187)		
Unencumbered cash, beginning of year	84,635	88,994		
Prior year canceled encumbrances	245	-		
Unencumbered cash, end of year	$ 88,994	$ 56,807		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

PARENTS AS TEACHERS

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	Budget	Variance favorable (unfavorable)
Receipts:				
State aid	$ 48,305	$ 49,592	$ 49,592	$ -
Transfer from supplemental general	-	23,400	50,000	(26,600)
Total receipts	48,305	72,992	$ 99,592	$ (26,600)
Expenditures:				
Student support services	75,784	74,031	$ 73,688	$ (343)
Instructional support staff	483	357	700	343
Total expenditures	76,267	74,388	$ 74,388	$ -
Receipts over (under) expenditures	(27,962)	(1,396)		
Unencumbered cash, beginning of year	44,425	16,463		
Unencumbered cash, end of year	$ 16,463	$ 15,067		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Federal aid	$ 14,855	$ -	$ -	$ -
Interest	23,816	121,682	24,000	97,682
Other	34,520	44,141	-	44,141
Transfer from general	801,881	586,327	793,542	(207,215)
Transfer from supplemental general	141,675	117,484	201,063	(83,579)
Total receipts	1,016,747	869,634	$ 1,018,605	$ (148,971)
Expenditures:				
Instruction	927,444	993,202	$ 1,038,635	$ 45,433
Student transportation services	5,314	2,200	6,319	4,119
Total expenditures	932,758	995,402	$ 1,044,954	$ 49,552
Receipts over (under) expenditures	83,989	(125,768)		
Unencumbered cash, beginning of year	611,868	695,857		
Unencumbered cash, end of year	$ 695,857	$ 570,089		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Other	$ 80	$ -	$ -	$ -
Transfer from supplemental general	177,872	125,000	185,280	(60,280)
Total receipts	177,952	125,000	$ 185,280	$ (60,280)
Expenditures:				
Instruction	177,872	176,899	$ 182,607	$ 5,708
Receipts over (under) expenditures	80	(51,899)		
Unencumbered cash, beginning of year	201,102	201,185		
Prior year canceled encumbrances	3	-		
Unencumbered cash, end of year	$ 201,185	$ 149,286		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

PRESCHOOL-AGED AT-RISK 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	Budget	Variance favorable (unfavorable)
Receipts:				
Preschool fees	$ -	$ 15,840	$ -	$ 15,840
Transfer from supplemental general	204,778	100,000	148,211	(48,211)
Total receipts	204,778	115,840	$ 148,211	$ (32,371)
Expenditures:				
Instruction	60,429	146,800	$ 148,211	$ 1,411
Receipts over (under) expenditures	144,349	(30,960)		
Unencumbered cash, beginning of year	146	144,495		
Unencumbered cash, end of year	$ 144,495	$ 113,535		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from general	$ 1,257,799	$ 1,322,880	$ 1,331,442	$ (8,562)
Transfer from supplemental general	359,091	384,247	375,776	8,471
Total receipts	1,616,890	1,707,127	$ 1,707,218	$ (91)
Expenditures:				
Instruction	1,336,935	1,433,769	$ 1,433,957	$ 188
Student support services	280,013	273,358	273,262	(96)
Total expenditures	1,616,948	1,707,127	$ 1,707,219	$ 92
Receipts over (under) expenditures	(58)	-		
Unencumbered cash, beginning of year	59	1		
Unencumbered cash, end of year	$ 1	$ 1		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

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	Budget	Variance favorable (unfavorable)
Receipts:				
State aid	$ 986,407	$ 1,015,850	$ 1,085,048	$ (69,198)
Expenditures:				
Instruction	621,055	644,550	$ 683,915	$ 39,365
Student support services	64,340	56,822	51,497	(5,325)
Instructional support staff	4,000	3,304	9,982	6,678
General administration	30,723	38,298	44,220	5,922
School administration	68,393	67,768	71,338	3,570
Central services	43,426	47,242	49,310	2,068
Operations and maintenance	93,865	96,086	105,092	9,006
Student transportation services	28,744	31,560	33,129	1,569
Food service operations	31,861	30,220	36,565	6,345
Total expenditures	986,407	1,015,850	$ 1,085,048	$ 69,198
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	$ -	$ -		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

RECREATION COMMISSION 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	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	$ 415,142	$ 426,489	$ 417,614	$ 8,875
Delinquent	2,769	2,493	4,208	(1,715)
Motor vehicle	16,915	18,667	16,593	2,074
Recreational vehicle	327	357	342	15
In lieu of tax	787	888	-	888
Other	-	-	25,143	(25,143)
Total receipts	435,940	448,894	$ 463,900	$ (15,006)
Expenditures:				
Community service operations	435,940	448,894	$ 463,900	$ 15,006
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	$ -	$ -		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

RECREATION COMMISSION EMPLOYEE BENEFITS 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	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	$ 115,412	$ 118,503	$ 116,040	$ 2,463
Delinquent	765	692	1,170	(478)
Motor vehicle	4,698	5,187	4,609	578
Recreational vehicle	91	99	95	4
In lieu of tax	219	247	-	247
Other	-	-	6,986	(6,986)
Total receipts	121,185	124,728	$ 128,900	$ (4,172)
Expenditures:				
Community service operations	121,185	124,728	$ 128,900	$ 4,172
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	$ -	$ -		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2024

	Title II-A	Gift	Title I-A	Federal grants
Receipts:				
Federal aid	$ 19,119	$ 18,225	$ 179,047	$ 856,398
Interest	-	-	-	-
Rental fees and books	-	-	-	-
Other grants and donations	-	14,682	-	-
Total receipts	19,119	32,907	179,047	856,398
Expenditures:				
Instruction	19,119	4,448	179,047	693,165
Student support services	-	7	-	67,626
Instructional support staff	-	-	-	861
General administration	-	349	-	64,162
School administration	-	-	-	8,612
Food service operations	-	-	-	9,473
Central services	-	-	-	3,445
Operations and maintenance	-	-	-	71,550
Student transportation services	-	-	-	9,473
Scholarships	-	-	-	-
Total expenditures	19,119	4,804	179,047	928,367
Receipts over (under) expenditures	-	28,103	-	(71,969)
Unencumbered cash (deficit), beginning of year	-	14,275	-	(1,310)
Prior year canceled encumbrances	-	129	-	-
Unencumbered cash (deficit), end of year	$ -	$ 42,507	$ -	$ (73,279)

See Independent Auditor's Report.

Holowach estate	Health council	Contingency reserve	Student materials	Total
$ -	$ -	$ -	$ -	$ 1,072,789
23,433	-	-	-	23,433
-	-	-	60,508	60,508
-	-	-	-	14,682
23,433	-	-	60,508	1,171,412
-	-	-	17,373	913,152
-	-	-	-	67,633
-	-	-	-	861
-	-	-	-	64,511
-	-	-	-	8,612
-	-	-	-	9,473
-	-	-	-	3,445
-	-	-	-	71,550
-	-	-	-	9,473
1,500	-	-	-	1,500
1,500	-	-	17,373	1,150,210
21,933	-	-	43,135	21,202
609,542	6,728	819,322	122,127	1,570,684
-	-	-	264	393
$ 631,475	$ 6,728	$ 819,322	$ 165,526	$ 1,592,279

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

BOND AND INTEREST 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	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem	$ 332,596	$ 318,093	$ 311,605	$ 6,488
Delinquent	2,338	2,110	3,355	(1,245)
Motor vehicle	15,329	17,583	15,450	2,133
Recreational vehicle	294	340	319	21
In lieu of tax	627	662	-	662
Total receipts	351,184	338,788	$ 330,729	$ 8,059
Expenditures:				
Debt service:				
Principal	240,000	250,000	$ 250,000	$ -
Interest	101,700	94,350	94,350	-
Total expenditures	341,700	344,350	$ 344,350	$ -
Receipts over (under) expenditures	9,484	(5,562)		
Unencumbered cash, beginning of year	897,213	906,697		
Unencumbered cash, end of year	$ 906,697	$ 901,135		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended June 30, 2024

Fund	Beginning unencumbered cash balance	Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
Gate receipts:						
High school:						
Gate receipts	$ 5,464	$ 28,681	$ 30,406	$ 3,739	$ -	$ 3,739
Activities director	2,014	4,593	3,581	3,026	-	3,026
MS gate receipts	101	12,773	12,356	518	-	518
Subtotal high school	7,579	46,047	46,343	7,283	-	7,283
Middle school:						
Athletic director	10	615	4	621	-	621
Subtotal gate receipts	7,589	46,662	46,347	7,904	-	7,904
School projects:						
High school:						
Fees	-	19,659	19,659	-	-	-
National Honor Society	167	404	444	127	-	127
363 degree design	1,589	9,459	6,887	4,161	-	4,161
Yearbook	12,261	12,498	16,209	8,550	-	8,550
Concession	7,386	46,685	42,077	11,994	-	11,994
All sports tournament	4,856	13,116	8,811	9,161	-	9,161
Subtotal high school	26,259	101,821	94,087	33,993	-	33,993
Middle school:						
Fees	23	5,157	5,180	-	-	-
School store	1,043	-	-	1,043	-	1,043
MS concessions	1,503	-	-	1,503	-	1,503
Unity shirt athletics	450	8,365	7,994	821	-	821
Subtotal middle school	3,019	13,522	13,174	3,367	-	3,367
Subtotal school projects	29,278	115,343	107,261	37,360	-	37,360
Total district activity funds	$ 36,867	$ 162,005	$ 153,608	$ 45,264	$ -	$ 45,264

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended June 30, 2024

Fund	Beginning cash balance	Receipts	Disbursements	Ending cash balance
Student organization funds:				
High school:				
AP test	$ 477	$ -	$ -	$ 477
CBI SB	259	-	-	259
Girls swim	874	8,914	3,325	6,463
Art club	301	-	-	301
JAG	1,478	2,885	686	3,677
Class of 2025	-	2,161	1,632	529
Girls basketball	399	-	-	399
Class of 2027	-	6,495	4,386	2,109
The art of the novel	28	-	-	28
Track	-	2,272	2,246	26
FFA	30,099	32,496	33,877	28,718
FCCLA	1,615	-	-	1,615
Choir fundraiser	12,113	2,252	9,515	4,850
Band	549	319	527	341
Boys golf fundraiser	493	306	133	666
Girls golf fundraiser	4,832	-	1,617	3,215
RIA metal	2,127	100	-	2,227
Drama club	6,993	1,234	444	7,783
Cheerleaders	813	4,194	2,048	2,959
Dance	3,045	-	262	2,783
FCA fundraiser	1,233	229	192	1,270
Bowling fundraiser	113	-	-	113
Photo journalism	228	-	-	228
CBI JA	4	-	-	4
Student council	3,775	3,092	2,239	4,628
KAY club	1,672	1,447	1,209	1,910
Class of 2024	542	300	757	85
Longhorn café	1,930	1,324	661	2,593
Class of 2026	1,565	-	-	1,565
Volleyball fundraiser	567	1,064	-	1,631
Football fundraiser	70	4,223	3,997	296
HALO	2,512	1,131	1,154	2,489
Student activity fund	5,914	5,093	5,933	5,074
SADD	1,364	372	785	951
Forensics	701	-	80	621
Science club	3,087	-	280	2,807
Cross country	1,219	2,376	860	2,735
Baseball fundraiser	1,526	1,211	1,286	1,451
Wrestling fundraiser	708	1,956	388	2,276
Boys basketball fundraiser	-	259	259	-
Softball fundraiser	1	755	-	756
Foreign language	3,698	-	364	3,334
HS library	-	144	-	144
Horns up fundraiser	-	905	-	905
Subtotal high school	98,924	89,509	81,142	107,291

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended June 30, 2024

Fund	Beginning cash balance	Receipts	Disbursements	Ending cash balance
Student organization funds (continued):				
Middle school:				
Cheerleaders	$ 120	$ -	$ 120	$ -
Student council	1,992	2,948	3,775	1,165
HMS art club	1,060	50	89	1,021
Middle school KAY club	904	1,073	1,274	703
8th grade class	-	613	520	93
Unhooked	4,148	785	1,289	3,644
6th grade class	-	220	139	81
7th grade class	3	1,200	960	243
A.R. reading	38	-	38	-
Theatre fund	472	747	823	396
Poetry slam	30	-	-	30
National history day	54	80	-	134
MS track club	495	-	495	-
MS track	609	-	82	527
MS girls basketball	217	-	-	217
MS weights	-	530	-	530
MS volleyball	360	86	-	446
MS wrestling	188	-	-	188
MS cheer	343	1,027	948	422
MS football fundraiser	215	105	215	105
MS scholars bowl	116	291	-	407
MS library	-	257	-	257
MS boys basketball	-	245	40	205
MS girls wresling	-	441	350	91
Crafting club	274	-	-	274
Gaming club	180	-	180	-
8th grade celebration	167	-	112	55
SAP	299	-	299	-
Geography club	73	-	-	73
8th grade shirt	-	883	883	-
Teen cuisine	5	695	419	281
Library fundraiser	-	1,223	1,196	27
Subtotal middle school	12,362	13,499	14,246	11,615

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended June 30, 2024

Fund	Beginning cash balance	Receipts	Disbursements	Ending cash balance
Student organization funds (continued):				
Elementary school:				
2nd grade teacher	$ 17	$ -	$ -	$ 17
Elementary fun	10,374	8,917	9,550	9,741
4th grade account	48	372	403	17
Elementary STUCO	3,940	241	454	3,727
5th grade special projects	5,865	1,905	1,954	5,816
Elementary PTO book fair	1,135	5,891	6,381	645
First grade account	273	255	255	273
Subtotal elementary school	21,652	17,581	18,997	20,236
Total student organization funds	132,938	120,589	114,385	139,142
Clearing funds:				
High school sales tax	13	9,527	9,540	-
High school interest income	-	7,913	7,913	-
Middle school sales tax	94	935	993	36
Middle school interest income	-	754	754	-
Total clearing funds	107	19,129	19,200	36
Total agency funds	$ 133,045	$ 139,718	$ 133,585	$ 139,178

See Independent Auditor's Report.

APPENDICES

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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 No. 363
Holcomb, Kansas

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, the financial statement of Unified School District No. 363, Holcomb, Kansas as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise Unified School District No. 363's basic financial statement, and have issued our report thereon dated January 16, 2025. Our report on the financial statement disclosed that, as described in Note A to the financial statement, the District has prepared this financial statement 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.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District No. 363's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 363'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 Unified School District No. 363'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kennedy McKee & Company LLP

January 16, 2025

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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 No. 363
Holcomb, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 363's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of 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, Unified School District No. 363 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Unified School District No. 363 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Kennedy McKee & Company LLP

January 16, 2025

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2024

Federal grantor/ pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Unencumbered cash (deficit) beginning of year	Canceled encumbrances	Receipts	Expenditures	Unencumbered cash (deficit) end of year	Passthrough to subrecipients
U.S. Department of Agriculture								
Passed through Kansas Department of Education:								
Local Food For Schools	10.185	D0363	$ -	$ -	$ 6,472	$ 6,472	$ -	$ -
National School Breakfast Program	10.553	D0363	-	-	60,392	60,392	-	-
National School Lunch Program	10.555	D0363	-	-	286,363	286,363	-	-
Child and Adult Care Food Program	10.558	D0363	-	-	2,761	2,761	-	-
Summer Food Service Program for Children	10.559	D0363	-	-	25,050	25,050	-	-
			-	-	374,566	374,566	-	-
Total U.S. Department of Agriculture			-	-	381,038	381,038	-	-
U.S. Department of Education								
Passed through Kansas Department of Education:								
Title I	84.010A	D0363	-	-	160,947	160,947	-	-
Student Support and Academic Enrichment	84.424A	D0363	-	-	18,100	18,100	-	-
Title II - Supporting Effective Instruction	84.367A	D0363	-	-	19,119	19,119	-	-
COVID-19 - Elementary & Secondary School Emergency Relief III	84.425U	D0363	(1,310)	-	856,398	928,367	(73,279)	-
Total U.S. Department of Education			(1,310)	-	1,054,564	1,126,533	(73,279)	-
U.S. Department of Health and Human Services								
Passed through Kansas Department of Education:								
Temporary Assistance for Needy Families	93.558	D0363	(18,362)	137	18,225	-	-	-
Total federal assistance			$ (19,672)	$ 137	$ 1,453,827	$ 1,507,571	$ (73,279)	$ -

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2024

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Unified School District No. 363 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 assets, 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 A to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

B. BASIS OF ACCOUNTING

Expenditures reported on the Schedule are prepared using 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. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances.

C. INDIRECT COST RATE

The District has not elected to use the 10% de minimis cost rate as allowed under the Uniform Guidance.

UNIFIED SCHOOL DISTRICT NO. 363
HOLCOMB, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2024

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an adverse opinion on whether the financial statement of Unified School District No. 363 was prepared in accordance with GAAP.

2. No significant deficiencies or material weaknesses relating to the audit of the financial statement are reported in the 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.*

3. No instances of noncompliance material to the financial statement of Unified School District No. 363, which would be required to be reported in accordance with *Government Auditing Standards,* were disclosed during the audit.

4. No significant deficiencies or material weaknesses relating to the audit of internal control over major federal programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.

5. The auditor's report on compliance for the major federal award programs for Unified School District No. 363 expresses an unmodified opinion on all major federal programs.

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

7. The program tested as a major program included:

COVID-19 Elementary and Secondary School Emergency Relief III	CFDA 84.425U

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

9. Unified School District No. 363 did not qualify as a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None noted.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

None noted.