CHENEY UNIFIED SCHOOL DISTRICT NO. 268
CHENEY, KANSAS

FINANCIAL STATEMENT
JUNE 30, 2022

BFR

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
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INDEPENDENT AUDITORS' REPORT

Board of Education
Cheney Unified School District No. 268
Cheney, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Cheney Unified School District No. 268, Cheney, Kansas**, as of and for the year ended **June 30, 2022**, and the related notes to the financial statement.

Adverse and Unmodified Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Cheney Unified School District No. 268, Cheney, Kansas**, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Cheney Unified School District No. 268, Cheney, Kansas**, as of **June 30, 2022**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of the report. We are required to be independent of **Cheney Unified School District No. 268, Cheney, Kansas** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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Board of Education
Cheney Unified School District No. 268

Matter Giving Rise to Adverse Opinion on Accounting Principles Generally Accepted in the United State of America
As discussed in Note 1 of the financial statement, the financial statement is prepared by **Cheney Unified School District No. 268, Cheney, Kansas**, on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Cheney Unified School District No. 268, Cheney, Kansas'** ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the **Cheney Unified School District No. 268, Cheney, Kansas'** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt the **Cheney Unified School District No. 268, Cheney, Kansas'** ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of cash receipts and expenditures – capital projects, agency funds schedules of regulatory basis cash receipts and disbursements, district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the **Cheney Unified School District No. 268, Cheney, Kansas**, as of and for the year ended June 30, 2021, and have issued our report thereon dated September 1, 2021, which contained an unmodified opinion on the basic financial statement.

The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/oar/municipal-services. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2021 (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 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2021, 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 4, 2022, on our consideration of **Cheney Unified School District No. 268, Cheney, Kansas'** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of **Cheney Unified School District No. 268, Cheney, Kansas'** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Cheney Unified School District No. 268, Cheney, Kansas'** internal control over financial reporting and compliance.

BFR CPA, LLC

BFR CPA, LLC
October 4, 2022

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 0	$ 0	$ 6,387,821	$ 6,386,712	$ 1,109	$ 994	$ 2,103
Special Purpose Funds							
Supplemental General	90,186	0	2,008,733	2,098,919	0	0	0
Preschool-Aged At-Risk	0	0	136,703	136,703	0	0	0
At Risk (K-12)	0	0	542,112	542,112	0	0	0
Capital Outlay	1,711,194	0	605,103	744,195	1,572,102	0	1,572,102
Driver Training	22,904	0	18,008	15,886	25,026	0	25,026
Food Service	93,719	0	503,815	558,880	38,654	0	38,654
Professional Development	0	0	30,074	30,074	0	0	0
Special Education	375,467	0	1,460,387	1,440,568	395,286	0	395,286
Career and Postsecondary Education	0	0	375,208	375,208	0	0	0
KPERS Contribution	0	0	739,336	739,336	0	0	0
Recreation Commission	26,845	0	184,289	155,000	56,134	0	56,134
Recreation Comm. Employee Benefits & Special Liability	45,010	0	47,018	38,000	54,028	0	54,028
Federal Funds	(121,715)	0	358,894	352,855	(115,676)	0	(115,676)
Gifts and Grants	37,242	0	32,046	31,626	37,662	0	37,662
Contingency Reserve	390,044	0	107,585	107,585	390,044	0	390,044
Textbook Rental	38,251	0	56,733	84,817	10,167	0	10,167
Scholarship	17,554	0	2,761	1,600	18,715	0	18,715
Student Assistance	14,939	0	600	24	15,515	0	15,515
District Activity Funds	78,929	0	90,120	87,817	81,232	0	81,232
Bond and Interest Fund	1,051,941	0	1,754,739	1,765,882	1,040,798	0	1,040,798
Capital Projects	9,690	0	0	0	9,690	0	9,690
	$ 3,882,200	$ 0	$ 15,442,085	$ 15,693,799	$ 3,630,486	$ 994	$ 3,631,480

Composition of Cash:		
	Checking Accounts	$ 2,769,437
	Certificates of Deposit	1,171,063
		3,940,500
	Agency Funds	(309,020)
		$ 3,631,480

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

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2022

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Cheney Unified School District No. 268 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Cheney, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

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

Special Purpose Funds-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 for payment of general long-term debt.

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

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

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

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

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

Budget and Tax Cycle

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

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

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year ended June 30, 2022.

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

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

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

Federal Funds
Contingency Reserve Fund
Scholarship Fund
District Activity Funds
Gifts and Grants Fund
Textbook Rental Fund
Student Assistance Fund

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

Note 2 - In Substance Receipt in Transit:

The District received $331,794 subsequent to June 30, 2022, and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

Note 3 - Defined Benefit Pension Plan:

Plan description
The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

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

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

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

The 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 $739,336 for the year ended June 30, 2022.

Net Pension Liability
At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $5,566,965. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 4 - Reimbursed Expenditures:

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

Note 5 - Contingencies:

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

Risk Management
The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 6 - Capital Projects:

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

	Project Authorization	Expenditures to Date
School Additions and Improvements	$15,674,456	$15,664,766

Note 7 - Postemployment Benefits:

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

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

Note 8 - Interfund Transactions:

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

	Transfer to:								
Transfer from:	Supplemental General	Preschool-Aged At-Risk	At Risk (K-12)	Food Service	Professional Development	Special Education	Career and Postsecondary Education	Contingency Reserve	Total
General Fund	$ 0	$ 27,811	$ 336,950	$ 0	$ 0	$ 1,136,663	$ 0	$ 107,585	$ 1,609,009
Supplemental General Fund	0	108,892	205,162	264	30,074	238,689	282,329	0	865,410
Contingency Reserve Fund	107,585	0	0	0	0	0	0	0	107,585
	$ 107,585	$ 136,703	$ 542,112	$ 264	$ 30,074	$ 1,375,352	$ 282,329	$ 107,585	$ 2,582,004

Note 9 - Termination Benefits:

The District supports an early retirement plan for teachers under the negotiated agreement. A full-time certified teacher who has served at least twelve full years of full-time continuous service in the district or is currently a part-time teacher who has previously served at least twelve years as a full-time teacher in the District is eligible. When the employee's age and length of service under KPERS total eighty-five and the employee retires under the KPERS plan, or when the employee reaches age sixty, but not more than age sixty-four years of age on or before June 30. Upon retirement, the District will pay the retired employee 10% of their highest teaching salary earned as a District employee. The District will make this payment for a maximum of five years or until the employee reaches the age of sixty-five.

It is the policy of the District to record early retirement benefits as expenditures when paid. The District paid $77,353 in retirement benefits for 15 former employees during the year ended June 30, 2022.

Note 10 - Deposits:

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.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2022.

At June 30, 2022, the District's carrying amount of deposits was $3,940,500 and the bank balance was $4,258,705. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $264,816 was covered by federal depository insurance and $3,993,889 was collateralized with securities held by the pledging financial institution's agent in the District's name.

Note 11 - Nonexpendable Trust Scholarships:

The Yoder Scholarship and Weerts Scholarship are nonexpendable trusts held by the District for the purpose of granting scholarships to students in accordance with the requirements of the endowments. According to the terms of the endowments, scholarships are to be granted from the earnings of the principal of the contributions to the fund. The principal of the fund is invested in certificates of deposit.

Note 12 - 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.

Note 13 - Statutory Violation:

The Capital Outlay expenditures exceeded budgeted expenditures by $337,195 resulting in a violation of K.S.A. 79-2935.

Note 14 - Subsequent Events:

The District has evaluated subsequent events through October 4, 2022, the date which the financial statement was available to be issued.

Note 15 - Long-Term Debt:

Principal payments are due annually for general obligation bonds on October 1. Interest payments are due semi-annually on April 1 and October 1.

Terms for long-term liabilities for the District for the year ended June 30, 2022, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2015 Series	1.50 - 2.50	1/8/2015	$ 5,700,000	9/1/2023
2021-A Series	0.30 - 1.74	6/28/2021	$10,635,000	9/1/2028
2021-B Series	3.00	6/28/2021	$ 1,270,000	9/1/2029
Capital Leases				
Computer Equipment	1.79	5/22/2018	$ 350,822	7/2/2021
Computer Equipment	4.40	6/4/2018	$ 32,264	7/31/2022

Changes in long-term liabilities for the District for the year ended June 30, 2022, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2015 Series	$ 675,000	$ 0	$ 675,000	$ 0	$ 7,594
2021-A Series	10,635,000	0	1,000,000	9,635,000	61,075
2021-B Series	1,270,000	0	0	1,270,000	25,718
	12,580,000	0	1,675,000	10,905,000	94,387
Capital Leases					
Computer Equipment	88,469	0	88,469	0	1,584
Computer Equipment	8,231	0	8,231	0	398
	96,700	0	96,700	0	1,982
	$12,676,700	$ 0	$ 1,771,700	$10,905,000	$ 96,369

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

	Principal	Interest	
	General Obligation Bonds	General Obligation Bonds	Total Principal and Interest
2023	$ 1,590,000	$ 124,624	$ 1,714,624
2024	1,550,000	117,569	1,667,569
2025	1,560,000	108,000	1,668,000
2026	1,530,000	94,503	1,624,503
2027	1,470,000	77,366	1,547,366
2028 - 2032	3,205,000	83,824	3,288,824
	$10,905,000	$ 605,886	$11,510,886

REGULATORY REQUIRED SUPPLEMENTARY INFORMATION

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	$ 6,573,341	$ (274,416)	$ 87,787	$ 6,386,712	$ 6,386,712	$ 0
Special Purpose Funds						
Supplemental General	2,169,233	(70,314)	0	2,098,919	2,098,919	0
Preschool-Aged At-Risk	143,000	0	0	143,000	136,703	(6,297)
At Risk (K-12)	636,500	0	0	636,500	542,112	(94,388)
Capital Outlay	407,000	0	0	407,000	744,195	337,195
Driver Training	25,500	0	0	25,500	15,886	(9,614)
Food Service	250,200	0	308,680	558,880	558,880	0
Professional Development	45,750	0	0	45,750	30,074	(15,676)
Special Education	1,441,000	0	0	1,441,000	1,440,568	(432)
Career and Postsecondary Education	403,000	0	0	403,000	375,208	(27,792)
KPERS Contribution	923,155	0	0	923,155	739,336	(183,819)
Recreation Commission	155,000	0	0	155,000	155,000	0
Recreation Comm. Employee Benefits & Special Liability	38,000	0	0	38,000	38,000	0
Federal Funds	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	352,855	XXXXXXXXX
Gifts and Grants	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	31,626	XXXXXXXXX
Contingency Reserve	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	107,585	XXXXXXXXX
Textbook Rental	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	84,817	XXXXXXXXX
Scholarship	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	1,600	XXXXXXXXX
Student Assistance	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	24	XXXXXXXXX
District Activity Funds	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	87,817	XXXXXXXXX
Bond and Interest Fund	1,769,387	0	0	1,769,387	1,765,882	(3,505)
Capital Projects	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	0	XXXXXXXXX
	$ 14,980,066	$ (344,730)	$ 396,467	$ 15,031,803	$ 15,693,799	$ (4,328)

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 51,912	$ 88,896	$ 0	$ 88,896
State Sources	6,118,747	6,298,925	6,573,341	(274,416)
	6,170,659	6,387,821	$ 6,573,341	$ (185,520)
Expenditures				
Instruction	2,582,429	2,685,429	$ 2,606,514	$ 78,915
Student Support Services	72,064	102,707	76,200	26,507
Instructional Support Staff	146,101	150,516	147,500	3,016
General Administration	298,490	298,569	298,750	(181)
School Administration	565,382	635,915	626,000	9,915
Operations & Maintenance	156,540	157,810	178,100	(20,290)
Student Transportation Services	959,673	496,308	988,000	(491,692)
Other Supplemental Services	151,315	250,449	198,500	51,949
Transfers	1,238,665	1,609,009	1,453,777	155,232
Adjustment to Comply With Legal Max	0	0	(274,416)	274,416
Adjustment for Qualifying Budget Credits	0	0	87,787	(87,787)
	6,170,659	6,386,712	$ 6,386,712	$ 0
Receipts Over (Under) Expenditures	0	1,109		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 1,109		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Supplemental General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 551,206	$ 410,410	$ 370,848	$ 39,562
County Sources	97,346	72,498	81,648	(9,150)
State Sources	1,378,895	1,418,240	1,465,751	(47,511)
Transfers	0	107,585	160,800	(53,215)
	2,027,447	2,008,733	$ 2,079,047	$ (70,314)
Expenditures				
Instruction	909,944	1,071,728	$ 911,037	$ 160,691
Student Support Services	0	0	14,023	(14,023)
Instructional Support Staff	151,678	152,377	159,700	(7,323)
Central Services	0	6,300	0	6,300
Operations & Maintenance	1,349	3,104	0	3,104
Transfers	971,439	865,410	1,084,473	(219,063)
Adjustment to Comply With Legal Max	0	0	(70,314)	70,314
	2,034,410	2,098,919	$ 2,098,919	$ 0
Receipts Over (Under) Expenditures	(6,963)	(90,186)		
Unencumbered Cash, Beginning	97,149	90,186		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 90,186	$ 0		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Preschool-Aged At-Risk Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 89,305	$ 136,703	$ 143,000	$ (6,297)
	89,305	136,703	$ 143,000	$ (6,297)
Expenditures				
Instruction	89,305	136,703	$ 143,000	$ (6,297)
	89,305	136,703	$ 143,000	$ (6,297)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

At Risk Fund (K-12)	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 484,877	$ 542,112	$ 636,500	$ (94,388)
	484,877	542,112	$ 636,500	$ (94,388)
Expenditures				
Instruction	289,271	338,351	$ 406,000	$ (67,649)
School Administration	195,606	203,761	230,500	(26,739)
	484,877	542,112	$ 636,500	$ (94,388)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Capital Outlay Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 291,199	$ 338,821	$ 328,084	$ 10,737
County Sources	46,834	41,204	40,179	1,025
State Sources	181,083	225,078	226,055	(977)
Transfers	199,587	0	0	0
	718,703	605,103	$ 594,318	$ 10,785
Expenditures				
Instruction	93,112	90,261	$ 115,000	$ (24,739)
Student Support Services	0	1,200	0	1,200
Instructional Support Staff	0	22,602	2,000	20,602
General Administration	0	0	60,000	(60,000)
Operations & Maintenance	70,863	520,325	115,000	405,325
Student Transportation Services	0	80,000	65,000	15,000
Other Support Services	3,766	1,629	5,000	(3,371)
Land Acquisition	19,835	19,835	20,000	(165)
Land Improvement	400	8,343	25,000	(16,657)
	187,976	744,195	$ 407,000	$ 337,195
Receipts Over (Under) Expenditures	530,727	(139,092)		
Unencumbered Cash, Beginning	1,180,467	1,711,194		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 1,711,194	$ 1,572,102		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Driver Training Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 12,264	$ 10,688	$ 12,000	$ (1,312)
State Sources	4,488	7,320	7,200	120
	16,752	18,008	$ 19,200	$ (1,192)
Expenditures				
Instruction	16,618	13,553	$ 22,000	$ (8,447)
Vehicle Operations, Maintenance Services	1,139	2,333	3,500	(1,167)
	17,757	15,886	$ 25,500	$ (9,614)
Receipts Over (Under) Expenditures	(1,005)	2,122		
Unencumbered Cash, Beginning	23,909	22,904		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 22,904	$ 25,026		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Food Service Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 73,767	$ 58,108	$ 7,284	$ 50,824
State Sources	3,890	3,624	2,612	1,012
Federal Sources	312,126	441,819	327,721	114,098
Transfers	5,548	264	0	264
	395,331	503,815	$ 337,617	$ 166,198
Expenditures				
Operations & Maintenance	0	68,762	$ 25,000	$ 43,762
Food Service Operation	351,655	490,118	225,200	264,918
Adjustment for Qualifying Budget Credits	0	0	308,680	(308,680)
	351,655	558,880	$ 558,880	$ 0
Receipts Over (Under) Expenditures	43,676	(55,065)		
Unencumbered Cash, Beginning	50,043	93,719		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 93,719	$ 38,654		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Professional Development Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 4,878	$ 0	$ 0	$ 0
Federal Sources	1,325	0	2,000	(2,000)
Transfers	19,310	30,074	43,750	(13,676)
	25,513	30,074	$ 45,750	$ (15,676)
Expenditures				
Instructional Support Staff	33,093	30,074	$ 45,750	$ (15,676)
	33,093	30,074	$ 45,750	$ (15,676)
Receipts Over (Under) Expenditures	(7,580)	0		
Unencumbered Cash, Beginning	7,580	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Special Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 224,607	$ 45,641	$ 0	$ 45,641
Federal Sources	12,735	39,394	30,000	9,394
Transfers	1,055,768	1,375,352	1,462,000	(86,648)
	1,293,110	1,460,387	$ 1,492,000	$ (31,613)
Expenditures				
Instruction	1,253,902	1,336,721	$ 1,295,000	$ 41,721
Student Transportation Services	123,310	103,847	146,000	(42,153)
	1,377,212	1,440,568	$ 1,441,000	$ (432)
Receipts Over (Under) Expenditures	(84,102)	19,819		
Unencumbered Cash, Beginning	459,569	375,467		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 375,467	$ 395,286		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Career and Postsecondary Education Fund

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 11,433	$ 92,879	$ 150,000	$ (57,121)
Federal Sources	0	0	253,000	(253,000)
Transfers	355,709	282,329	0	282,329
	367,142	375,208	$ 403,000	$ (27,792)
Expenditures				
Instruction	367,142	375,208	$ 403,000	$ (27,792)
	367,142	375,208	$ 403,000	$ (27,792)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

KPERS Contribution Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 699,360	$ 739,336	$ 923,155	$ (183,819)
	699,360	739,336	$ 923,155	$ (183,819)
Expenditures				
Instruction	373,820	387,085	$ 400,155	$ (13,070)
Student Support Services	100,000	200,000	100,000	100,000
Instructional Support Staff	100,000	100,000	100,000	0
General Administration	0	40,000	50,000	(10,000)
School Administration	75,540	0	23,000	(23,000)
Central Services	0	12,251	100,000	(87,749)
Operations & Maintenance	0	0	50,000	(50,000)
Student Transportation Services	50,000	0	50,000	(50,000)
Food Service	0	0	50,000	(50,000)
	699,360	739,336	$ 923,155	$ (183,819)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Recreation Commission Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 141,392	$ 166,970	$ 157,681	$ 9,289
County Sources	16,006	17,319	16,785	534
	157,398	184,289	$ 174,466	$ 9,823
Expenditures				
Community Service Operations	155,000	155,000	$ 155,000	$ 0
	155,000	155,000	$ 155,000	$ 0
Receipts Over (Under) Expenditures	2,398	29,289		
Unencumbered Cash, Beginning	24,447	26,845		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 26,845	$ 56,134		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Recreation Commission Employee Benefits & Special Liability Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 35,729	$ 41,801	$ 39,920	$ 1,881
County Sources	5,354	5,217	5,414	(197)
	41,083	47,018	$ 45,334	$ 1,684
Expenditures				
Community Service Operations	34,000	38,000	$ 38,000	$ 0
	34,000	38,000	$ 38,000	$ 0
Receipts Over (Under) Expenditures	7,083	9,018		
Unencumbered Cash, Beginning	37,927	45,010		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 45,010	$ 54,028		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Bond and Interest Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 423,426	$ 515,061	$ 485,225	$ 29,836
County Sources	56,557	71,946	58,328	13,618
State Sources	666,947	1,167,732	1,167,795	(63)
	1,146,930	1,754,739	$ 1,711,348	$ 43,391
Expenditures				
Debt Service	1,042,098	1,765,882	$ 1,769,387	$ (3,505)
	1,042,098	1,765,882	$ 1,769,387	$ (3,505)
Receipts Over (Under) Expenditures	104,832	(11,143)		
Unencumbered Cash, Beginning	947,109	1,051,941		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 1,051,941	$ 1,040,798		

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Federal Funds

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	$ 258,372	$ 358,894
	258,372	358,894
Expenditures		
Instruction	112,093	111,344
Student Support Services	12,461	12,946
General Administration	260,517	228,565
	385,071	352,855
Receipts Over (Under) Expenditures	(126,699)	6,039
Unencumbered Cash, Beginning	4,984	(121,715)
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ (121,715)	$ (115,676)

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 3,085	$ 2,046
State Sources	30,000	30,000
	33,085	32,046
Expenditures		
Instruction	35,546	31,626
School Administration	(1,100)	0
	34,446	31,626
Receipts Over (Under) Expenditures	(1,361)	420
Unencumbered Cash, Beginning	38,603	37,242
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 37,242	$ 37,662

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	$ 0	$ 107,585
	0	107,585
Expenditures		
Transfers	0	107,585
	0	107,585
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	390,044	390,044
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 390,044	$ 390,044

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Textbook Rental Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 53,098	$ 56,733
	53,098	56,733
Expenditures		
Instruction	16,406	84,817
	16,406	84,817
Receipts Over (Under) Expenditures	36,692	(28,084)
Unencumbered Cash, Beginning	1,559	38,251
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 38,251	$ 10,167

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Scholarship Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 1,568	$ 2,761
	1,568	2,761
Expenditures		
General Administration	1,600	1,600
	1,600	1,600
Receipts Over (Under) Expenditures	(32)	1,161
Unencumbered Cash, Beginning	17,586	17,554
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 17,554	$ 18,715

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

Student Assistance Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 1,115	$ 600
	1,115	600
Expenditures		
Instruction	2,917	24
	2,917	24
Receipts Over (Under) Expenditures	(1,802)	576
Unencumbered Cash, Beginning	16,741	14,939
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 14,939	$ 15,515

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 0	$ 0
	0	0
Expenditures		
Site Improvement	0	0
	0	0
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	9,690	9,690
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 9,690	$ 9,690

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
High School				
Cheerleaders	$ 2,275	$ 11,166	$ 10,506	$ 2,935
BPA	6,961	6,475	5,644	7,792
Forensics	(543)	1,046	662	(159)
Art Club	1,947	283	240	1,990
Scholars Bowl	(91)	0	140	(231)
Dramatics	5,029	1,377	1,045	5,361
Home Ec Club	2,707	0	404	2,303
Music Club	12,360	15	1,710	10,665
Student Council	1,830	6,542	4,409	3,963
Dance	591	1,283	1,689	185
Band Supplies	1,316	2,602	2,945	973
Green Team	808	0	0	808
Class of 2020	862	224	0	1,086
Band Music Club	21,222	13,082	21,738	12,566
Band Leadership Club	147	200	0	347
Class of 2014	93	0	0	93
Spanish Club	2,064	0	0	2,064
Class of 2015	3,304	0	0	3,304
Class of 2016	5,003	0	0	5,003
Class of 2018	602	0	0	602
Class Funds	690	0	0	690
Class of 2017	1,723	0	0	1,723
Class of 2019	908	0	0	908
Class of 2010	166	0	0	166
Class of 2011	752	0	0	752
Class of 2012	299	0	0	299
Class of 2021	1,338	0	0	1,338
Student Assistance Fund	3,453	250	17	3,686
Nat'l Honor Society	(13)	0	0	(13)
Friends of Rachel	165	0	0	165
Class of 2022	11,126	207	8,073	3,260
Class of 2023	5,967	14,698	11,887	8,778
Class of 2024	210	47,081	31,329	15,962
Class of 2025	0	325	35	290
Girls Basketball	1,694	2,228	3,354	568
Football	6,166	2,750	5,998	2,918
Softball	642	1,053	1,153	542
Boys Golf	165	0	0	165
Boys Basketball	728	0	364	364
Track	1,283	527	0	1,810
Girls Golf	816	150	150	816
Volleyball	40	1,062	1,200	(98)
Baseball	5,547	1,425	1,005	5,967
Band Special Projects	13,644	10,400	11,197	12,847
Spanish Special Projects	3,689	0	0	3,689
Color Guard	168	510	492	186
Debate	(100)	0	0	(100)
FFA	11,197	31,913	32,027	11,083
Wrestling	437	0	0	437
	141,387	158,874	159,413	140,848

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Middle School				
Student Council	591	1789	1097	1,283
Ambassador	1,246	0	51	1,195
Misc. Activities	627	2415	2245	797
Honor Flight	2,975	0	0	2,975
GOTR	19	0	0	19
	5,458	4,204	3,393	6,269

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Elementary School				
Student Activity	3,609	2,658	2,441	3826
CES Emergency Fund	2,141	250	19	2372
Taxes	0	211	211	0
Student Council	164	0	0	164
	5,914	3,119	2,671	6,362
Yoder Scholarship	48,902	6,077	1,600	53,379
Weerts Scholarship	102,162	1,121	1,121	102,162
Total Agency Funds	$ 303,823	$ 173,395	$ 168,198	$ 309,020

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
High School							
Sales Tax	$ 65	$ 0	$ 11,309	$ 11,106	$ 268	$ 0	$ 268
Special Projects	(300)	0	10,355	10,055	0	0	0
Staff Social Fund	775	0	194	0	969	0	969
Staff Appreciation Fund	(255)	0	332	224	(147)	0	(147)
Weight Room Fund	1,345	0	0	0	1,345	0	1,345
IA Project Fund	3,680	0	4,789	2,283	6,186	0	6,186
Athletic Sponsorships	5,868	0	7,100	9,670	3,298	0	3,298
Tournament Fund	36,031	0	45,373	43,216	38,188	0	38,188
Vinyl Projects Fund	426	0	0	0	426	0	426
Engraving Projects Fund	294	0	0	0	294	0	294
CHS Designs	295	0	0	0	295	0	295
A+ Program	254	0	0	0	254	0	254
Crime Stopper	1,686	0	0	0	1,686	0	1,686
Student Awards	1,135	0	0	115	1,020	0	1,020
Activity Awards	7,171	0	0	0	7,171	0	7,171
NOW Account Interest	211	0	244	0	455	0	455
	58,681	0	79,696	76,669	61,708	0	61,708

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Middle School							
Sales Tax	6	0	69	71	4	0	4
Teacher Vending Machines	39	0	769	808	0	0	0
Fundraisers	193	0	0	0	193	0	193
Lifetouch	3,662	0	0	0	3,662	0	3,662
Veterans Day	310	0	0	0	310	0	310
NOW Account Interest	2	0	21	21	2	0	2
Special Projects	226	0	18	0	244	0	244
Tournament/Activities	3,088	0	0	0	3,088	0	3,088
Student Assistance	2,664	0	271	200	2,735	0	2,735
Cheerleading	613	0	39	195	457	0	457
Volleyball	130	0	0	0	130	0	130
H. Rohloff Classroom Donation	1,418	0	636	531	1,523	0	1,523
6th Grade Camping Trip	0	0	306	0	306	0	306
Robotics	935	0	470	0	1,405	0	1,405
	13,286	0	2,599	1,826	14,059	0	14,059

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Elementary School							
PALS	1,206	0	0	0	1,206	0	1,206
Cooperative Learning	276	0	0	0	276	0	276
Special Projects	435	0	0	0	435	0	435
Library Fundraiser	2,747	0	3,162	4,561	1,348	0	1,348
Library Lost & Found	354	0	186	35	505	0	505
Don Kump Memorial	3	0	0	0	3	0	3
CES Grants	1,521	0	0	230	1,291	0	1,291
Jump Rope for Heart	94	0	2,953	2,798	249	0	249
Faculty Courtesy	326	0	1,117	1,291	152	0	152
Pop	0	0	407	407	0	0	0
	6,962	0	7,825	9,322	5,465	0	5,465
Total District Activity Funds	$ 78,929	$ 0	$ 90,120	$ 87,817	$ 81,232	$ 0	$ 81,232

FEDERAL AWARD INFORMATION

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

Board of Education
Cheney Unified School District No. 268
Cheney, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Cheney Unified School District No. 268, Cheney, Kansas**, as of and for the year ended **June 30, 2022**, and the related notes to the financial statement, which collectively comprise **Cheney Unified School District No. 268, Cheney, Kansas'** basic financial statement, and have issued our report thereon dated October 4, 2022. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Cheney Unified School District No. 268, Cheney, Kansas'** internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Cheney Unified School District No. 268, Cheney, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Cheney Unified School District No. 268, Cheney, Kansas'** internal control.

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

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Board of Education
Cheney Unified School District No. 268

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 **Cheney Unified School District No. 268, Cheney, Kansas'** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

BFR CPA, LLC

BFR CPA, LLC
October 4, 2022

BFR

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

Board of Education
Cheney Unified School District No. 268
Cheney, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Cheney Unified School District No. 268, Cheney, Kansas'** compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of **Cheney Unified School District No. 268, Cheney, Kansas'** major federal programs for the year ended **June 30, 2022**. **Cheney Unified School District No. 268, Cheney, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **Cheney Unified School District No. 268, Cheney, Kansas** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 2022**.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of **Cheney Unified School District No. 268, Cheney, Kansas** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **Cheney Unified School District No. 268, Cheney, Kansas'** compliance with the compliance requirements referred to above.

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Board of Education
Cheney Unified School District No. 268

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 **Cheney Unified School District No. 268, Cheney, Kansas'** federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **Cheney Unified School District No. 268, Cheney, Kansas'** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Cheney Unified School District No. 268, Cheney, Kansas'** compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Cheney Unified School District No. 268, Cheney, Kansas'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of **Cheney Unified School District No. 268, Cheney, Kansas'** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **Cheney Unified School District No. 268, Cheney, Kansas'** internal control over compliance. Accordingly, no such opinion is expressed.

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

Board of Education
Cheney Unified School District No. 268

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

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

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

BFR CPA, LLC

BFR CPA, LLC
October 4, 2022

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Grant Title	Assistance Listing Number	Program Amount	Unencumbered Cash 7/1/2021	Receipts	Expenditures	Unencumbered Cash 6/30/2022
(Passes Through Kansas Department of Education)						
Department of Agriculture						
Child Nutrition Cluster-Cluster						
School Breakfast Program	10.553	$ 56,002				
National School Lunch Program	10.555	364,934				
Summer Food Service Program for Children	10.559	20,269				
Pandemic EBT Administrative Costs	10.649	614				
		441,819	$ 0	$ 441,819	$ 441,819	$ 0
Department of Education						
Title I Grants to Local Educational Agencies	84.010	63,696	0	63,696	63,696	0
Supporting Effective Instruction State Grants	84.367	17,648	0	17,648	17,648	0
Student Support and Academic Enrichment Program	84.424	12,946	0	12,946	12,946	0
Covid 19 Education Stabilization Fund	84.425D	742,077	(121,715)	247,674	241,635	(115,676)
		836,367	(121,715)	341,964	335,925	(115,676)
Department of Health and Human Services						
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	26,324	0	26,324	26,324	0
Temporary Assistance for Needy Families	93.558	30,000	0	30,000	30,000	0
		56,324	0	56,324	56,324	0
Total Federal Awards		$ 1,334,510	$ (121,715)	$ 840,107	$ 834,068	$ (115,676)

The accompanying notes are an integral part of the schedule.

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Cheney Unified School District No. 268, Cheney, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 - Indirect Cost Rate:

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

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **Cheney Unified School District No. 268, Cheney, Kansas**.

2. No significant deficiencies or material weaknesses were reported in the 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 **Cheney Unified School District No. 268, Cheney, Kansas,** were disclosed during the audit.

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

5. The independent auditors' report on compliance for the major federal award programs for **Cheney Unified School District No. 268, Cheney, Kansas,** expresses an unmodified opinion on the major federal program.

6. There were no audit findings relative to the major federal award programs for **Cheney Unified School District No. 268, Cheney, Kansas**.

7. The programs tested as a major programs were:

Child Nutrition Cluster-Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559

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

9. **Cheney Unified School District No. 268, Cheney, Kansas,** was determined not to be a low-risk auditee.

CHENEY UNIFIED SCHOOL DISTRICT NO. 268
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

There are no prior audit findings.