Santa Fe Trail Unified School District No. 434
Carbondale, Kansas

Financial Statement
As of June 30, 2026
and For the Year Then Ended

With Report by Independent Auditors

Shipley & Williams CPAs, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Santa Fe Trail Unified School District No. 434

Report on the Audit of the Financial Statement

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of Santa Fe Trail Unified School District No. 434 (the District), as of and for the year ended June 30, 2026 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2026, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2026, 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* (KMAAG) described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the KMAAG. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, 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 this financial statement in accordance with the KMAAG as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The schedules listed under regulatory required supplementary information in the accompanying table of contents are presented for the 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 KMAAG. 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 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 30, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Shipley & Williams CPAs, LLC

Shipley & Williams CPAs, LLC
Topeka, Kansas
October 30, 2026

Santa Fe Trail Unified School District No. 434 **Statement 1**
Carbondale, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2026

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General	$ -	$ 9,899,285	$ 9,899,285	$ -	$ 534,647	$ 534,647
Supplemental General	213,695	3,363,583	3,298,796	278,482	15,458	293,940
Special Purpose Funds:						
Gifts and Grants	506,513	525,973	407,387	625,099	4,195	629,294
At Risk (4 year olds)	26,961	173,307	135,604	64,664	17,129	81,793
At Risk (K-12)	34,408	1,689,581	1,713,739	10,250	210,615	220,865
Bilingual Education	283	-	-	283	-	283
Driver Training	17,845	23,367	22,237	18,975	-	18,975
Food Service	117,899	600,374	646,868	71,405	1,614	73,019
Professional Development	70,133	-	22,729	47,404	356	47,760
Career and Postsecondary Education	53,553	333,496	386,107	942	31,209	32,151
Special Education	732,964	2,894,198	3,170,143	457,019	5,363	462,382
Virtual Education	1,050	22,038	22,200	888	-	888
Federal Grant Funds	20,785	536,713	562,756	(5,258)	29,751	24,493
KPERS Special Retirement Contribution	-	936,056	936,056	-	-	-
Contingency Reserve	475,101	-	-	475,101	-	475,101
Textbook Rental	144,710	99,136	57,931	185,915	-	185,915
Capital Outlay	1,346,628	1,328,202	1,076,687	1,598,143	102,137	1,700,280
Gate Receipts	21,207	131,874	118,281	34,800	-	34,800
District Activity	43,947	104,198	104,116	44,029	-	44,029
Bond and Interest Fund	1,245,223	581,711	389,228	1,437,706	-	1,437,706
Total Reporting Entity (Excluding Agency Funds)	$ 5,072,905	$ 23,243,092	$ 22,970,150	$ 5,345,847	$ 952,474	$ 6,298,321

Composition of Cash:	
Checking accounts	$ 3,503,632
Kansas Municipal Investment Pool	2,942,548
Less Agency Funds per Schedule 3	(147,859)
Total Reporting Entity (Excluding Agency Funds)	$ 6,298,321

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

Santa Fe Trail Unified School District No. 434
Carbondale, Kansas

Notes to the Financial Statement
For the Year Ended June 30, 2026

1. Summary of Significant Accounting Policies

Reporting Entity
Santa Fe Trail Unified School District No. 434 (the District) is a municipal corporation governed by an elected seven-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

Fund Accounting
The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds were utilized in recording the financial activities of the District for the year ended June 30, 2026.

Regulatory Basis Fund Types

General fund and Supplemental General fund – used to account for the general operations of the District and are used to account for all resources except those required to be accounted for in other funds.
Special Purpose fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.
Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.
Agency fund – used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

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.

2. Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before September 11th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before September 21st, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before October 1st.
5. Adopted budget filed with the county clerk by 5:00 PM on October 1st.

If the District is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The District did not hold a revenue neutral rate hearing for this year.

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

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures for 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 agency funds, activity funds, and the following special purpose funds: textbook rental, contingency reserve, 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.

3. Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

4. Deposits and Investments

As of June 30, 2026, the District had the following investments and maturities:

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less than 1	1-2	Rating U.S.
Kansas Municipal Investment Pool	$ 2,942,548	$ 2,942,548	$ -	n/a

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.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not have a peak period pledge agreement during the year ended June 30, 2026, and therefore the District did not designate peak periods. All deposits were legally secured at June 30, 2026.

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

4. Deposits and Investments (continued)

At June 30, 2026, the District's carrying amount of deposits was $3,503,632 and the bank balance was $3,902,904. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by federal depository insurance, and the remaining was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name.

5. Long-Term Debt

Changes in long-term liabilities for the District for the year ended June 30, 2026, were as follows:

	Amount of Issue	Interest Rates	Date of Issue	Date of Final Maturity
General Obligation Bonds				
Series 2013	$ 4,600,000	1.35-2.35%	5/1/2013	9/1/2028
Finance Leases				
Bus Lease 1	592,866	n/a	7/1/2023	6/30/2026
Bus Lease 2	960,570	n/a	7/1/2023	6/30/2028
Bus Lease 3	177,540	n/a	10/1/2022	6/30/2027
Bus Lease 4	60,445	n/a	3/1/2023	2/29/2028
Bus Lease 5	55,072	n/a	7/1/2024	6/30/2028
Bus Lease 6	32,822	n/a	7/1/2024	6/30/2026

	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2013	$ 1,515,000	$ -	$ 360,000	$ 1,155,000	$ 29,228
Finance Leases					
Bus Lease 1	197,622	-	197,622	-	-
Bus Lease 2	576,342	-	192,114	384,228	-
Bus Lease 3	71,015	-	35,508	35,507	-
Bus Lease 4	24,178	-	12,089	12,089	-
Bus Lease 5	41,304	-	13,768	27,536	-
Bus Lease 6	16,411	-	16,411	-	-
	926,872	-	467,512	459,360	-
Early retirement benefits	3,750	-	3,300	450	-
Total Long Term Debt	$ 2,445,622	$ -	$ 830,812	$ 1,614,810	$ 29,228

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

Year	Principal	Interest
2027	$ 628,928	$ 21,690
2028	590,882	13,518
2029	395,000	4,641
Total	$ 1,614,810	$ 39,849

6. Interfund Transactions

Operating transfers during the fiscal year ended June 30, 2026 were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk (4 year olds)	K.S.A. 72-5167	$ 63,106
General Fund	At Risk (K-12)	K.S.A. 72-5167	1,010,700
General Fund	Virtual Education	K.S.A. 72-5167	12,538
General Fund	Career and Postsecondary Education	K.S.A. 72-5167	276,184
General Fund	Special Education	K.S.A. 72-5167	1,879,998
General Fund	Food Service	K.S.A. 72-5167	52,238
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	678,881
Supplemental General	Virtual Education	K.S.A. 72-5143	9,500
Supplemental General	Special Education	K.S.A. 72-5143	979,042
Title II A	Title I	n/a	27,326
Title V	Title I	n/a	18,856
At Risk (K-12)	Title I	n/a	112,408

7. 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.

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2026.

The District has a plan that provides early retirement benefits to certain eligible employees. To be eligible for early retirement benefits, employees must have been employed by the District for a minimum of fifteen years, must not be age sixty-five or older and must meet one of the following criteria: full retirement qualifications as required by KPERS or acquired eighty-five KPERS retirement points. Benefits for eligible participants include receiving the longevity payments the employee was eligible for during the last year of employment and the opportunity to remain in the District's group health insurance plan at the employee's cost. These benefits will continue until the participant reaches age sixty-five.

8. Compensated Absences

Under the terms of the District's personnel policy, District employees are granted annual personal and sick leave in varying amounts depending on whether the employee is hourly or contracted.

9. 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 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 11.60% and 11.54%, respectively, for the fiscal year ended June 30, 2025. The actuarially determined employer contribution rate and the statutory contribution rate was 11.78% and 11.68%, respectively, for the fiscal year ended June 30, 2026.

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.

9. Defined Benefit Pension Plan (continued)

The State of Kansas is required to contribute the statutory required employer 's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $936,056 for the year ended June 30, 2026.

Net Pension Liability

At June 30, 2026, the District's proportionate share of the collective net pension liability reported by KPERS was $7,606,172. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. 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, 2025. 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.

10. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

11. Stewardship, Compliance, and Accountability

Expenditures in the Career and Postsecondary Education and Virtual Education Funds exceeded the adopted budget for the year ended June 30, 2026.

The Federal Grant Funds had a deficit unencumbered cash balance of $5,258 at June 30, 2026, which is a violation of K.S.A. 10-1113.

12. Subsequent Events

The District has evaluated events and transactions for potential recognition or disclosure through October 30, 2026, the date the financial statement was available for issue.

Regulatory-Required Supplementary Information

Schedule 1

Santa Fe Trail Unified School District No. 434
Carbondale, Kansas
Summary of Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	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 Funds:						
General	$ 10,574,993	$ (683,376)	$ 7,668	$ 9,899,285	$ 9,899,285	$ -
Supplemental General	3,519,832	(221,036)	-	3,298,796	3,298,796	-
Special Revenue Funds:						
Gifts and Grants	1,025,743	-	-	1,025,743	407,387	(618,356)
At Risk (4 year olds)	200,915	-	-	200,915	135,604	(65,311)
At Risk (K-12)	1,984,000	-	-	1,984,000	1,713,739	(270,261)
Bilingual Education	283	-	-	283	-	(283)
Driver Training	37,676	-	-	37,676	22,237	(15,439)
Food Service	699,244	-	-	699,244	646,868	(52,376)
Professional Development	70,134	-	-	70,134	22,729	(47,405)
Career and Postsecondary Education	354,512	-	-	354,512	386,107	31,595
Special Education	3,363,278	-	-	3,363,278	3,170,143	(193,135)
Virtual Education	15,000	-	-	15,000	22,200	7,200
Federal Grant Funds	569,225	-	-	569,225	562,756	(6,469)
KPERS Special Retirement Contribution	1,139,498	-	-	1,139,498	936,056	(203,442)
Capital Outlay	2,536,788	-	-	2,536,788	1,076,687	(1,460,101)
Bond and Interest Fund	389,238	-	-	389,238	389,228	(10)

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
State equalization aid	$ 8,334,225	$ 8,607,350	$ (273,125)
State special education fund	1,557,392	1,967,643	(410,251)
Reimbursements	7,668	-	7,668
Total Receipts	9,899,285	$ 10,574,993	$ (675,708)
Expenditures			
Instruction	3,713,910	$ 3,884,117	$ (170,207)
Student support services	447,718	481,000	(33,282)
Instructional support staff	144,116	218,200	(74,084)
General administration	405,598	334,500	71,098
School administration	784,629	824,000	(39,371)
Operations and maintenance	241,856	399,250	(157,394)
Transportation services	483,881	486,150	(2,269)
Other supplemental services	382,813	432,000	(49,187)
Transfers out	3,294,764	3,515,776	(221,012)
Adjustment to comply with legal max	-	(683,376)	683,376
	9,899,285	9,891,617	7,668
Adjustment for qualifying budget credit	-	7,668	(7,668)
Total Expenditures	9,899,285	$ 9,899,285	$ -
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ -		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Supplemental General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Ad valorem current tax	$ 860,348	$ 1,354,208	$ (493,860)
Ad valorem tax in process	476,129	-	476,129
Delinquent	23,799	80,809	(57,010)
Motor and recreational vehicle	168,854	139,566	29,288
Recreational vehicle tax	4,611	4,073	538
Commercial vehicle tax	-	4,989	(4,989)
Supplemental state aid	1,829,842	1,952,451	(122,609)
Reimbursements	-	-	-
Transfers in	-	-	-
Total Receipts	3,363,583	$ 3,536,096	$ (172,513)
Expenditures			
Instruction	277,063	$ 420,178	$ (143,115)
Instructional support services	550	2,500	(1,950)
Operations and maintenance	789,051	930,250	(141,199)
General administration	61,320	61,000	320
Transportation	475,821	575,800	(99,979)
Other supplemental services	27,568	85,000	(57,432)
Transfers out	1,667,423	1,445,104	222,319
Adjustment to comply with legal max	-	(221,036)	221,036
	3,298,796	3,298,796	-
Adjustment for qualifying budget credit	-	-	-
Total Expenditures	3,298,796	$ 3,298,796	$ -
Receipts Over (Under) Expenditures	64,787		
Unencumbered Cash, Beginning	213,695		
Unencumbered Cash, Ending	$ 278,482		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Gifts and Grants Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Grants and contributions	$ 410,973	$ 399,000	$ 11,973
Federal aid	-	40,115	(40,115)
State aid	75,000	40,115	34,885
Miscellaneous	40,000	40,000	-
Total Receipts	525,973	$ 519,230	$ 6,743
Expenditures			
Instruction	162,370	$ 735,743	$ (573,373)
Operations and maintenance	-	200,000	(200,000)
Instructional support staff	245,017	90,000	155,017
Total Expenditures	407,387	$ 1,025,743	$ (618,356)
Receipts Over (Under) Expenditures	118,586		
Unencumbered Cash, Beginning	506,513		
Unencumbered Cash, Ending	$ 625,099		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
At Risk (4 Year Olds) Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 63,106	$ 133,954	$ (70,848)
Miscellaneous	110,201	40,000	70,201
Total Receipts	173,307	$ 173,954	$ (647)
Expenditures			
Instruction	129,139	$ 190,100	$ (60,961)
Student transportation services	6,465	10,815	(4,350)
Total Expenditures	135,604	$ 200,915	$ (65,311)
Receipts Over (Under) Expenditures	37,703		
Unencumbered Cash, Beginning	26,961		
Unencumbered Cash, Ending	$ 64,664		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
At Risk (K-12) Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 1,689,581	$ 1,949,592	$ (260,011)
Total Receipts	1,689,581	$ 1,949,592	$ (260,011)
Expenditures			
Instruction	1,601,331	$ 1,984,000	$ (382,669)
Transfers out	112,408	-	112,408
Total Expenditures	1,713,739	$ 1,984,000	$ (270,261)
Receipts Over (Under) Expenditures	(24,158)		
Unencumbered Cash, Beginning	34,408		
Unencumbered Cash, Ending	$ 10,250		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Bilingual Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Miscellaneous	$ -	$ -	$ -
Total Receipts	-	$ -	$ -
Expenditures			
Instruction	-	$ 283	$ (283)
Total Expenditures	-	$ 283	$ (283)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	283		
Unencumbered Cash, Ending	$ 283		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Driver Training Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
State aid	$ 9,280	$ 7,830	$ 1,450
Reimbursements	14,087	12,000	2,087
Transfers in	-	-	-
Total Receipts	23,367	$ 19,830	$ 3,537
Expenditures			
Instruction	15,163	$ 15,495	$ (332)
Operations and maintenance	7,074	22,181	(15,107)
Total Expenditures	22,237	$ 37,676	$ (15,439)
Receipts Over (Under) Expenditures	1,130		
Unencumbered Cash, Beginning	17,845		
Unencumbered Cash, Ending	$ 18,975		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Food Service Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Federal aid	$ 344,088	$ 333,835	$ 10,253
State aid	4,698	4,460	238
Lunch receipts	199,350	243,050	(43,700)
Transfers in	52,238	-	52,238
Miscellaneous	-	-	-
Total Receipts	600,374	$ 581,345	$ 19,029
Expenditures			
Food service	646,868	$ 699,244	$ (52,376)
Operations and maintenance	-	-	-
Total Expenditures	646,868	$ 699,244	$ (52,376)
Receipts Over (Under) Expenditures	(46,494)		
Unencumbered Cash, Beginning	117,899		
Unencumbered Cash, Ending	$ 71,405		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Professional Development Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
State aid	$ -	$ -	$ -
Transfers in	-	-	-
Total Receipts	-	$ -	$ -
Expenditures			
Instructional support staff	7,195	$ 44,300	$ (37,105)
Other support services	15,534	25,834	(10,300)
Total Expenditures	22,729	$ 70,134	$ (47,405)
Receipts Over (Under) Expenditures	(22,729)		
Unencumbered Cash, Beginning	70,133		
Unencumbered Cash, Ending	$ 47,404		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Career and Postsecondary Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 276,184	$ 235,069	$ 41,115
Federal aid	34,900	34,462	438
State aid	22,412	31,430	(9,018)
Miscellaneous	-	-	-
Total Receipts	333,496	$ 300,961	$ 32,535
Expenditures			
Instruction	386,107	$ 353,462	$ 32,645
Instructional support staff	-	1,050	(1,050)
Student support services	-	-	-
Student Transportation	-	-	-
Total Expenditures	386,107	$ 354,512	$ 31,595
Receipts Over (Under) Expenditures	(52,611)		
Unencumbered Cash, Beginning	53,553		
Unencumbered Cash, Ending	$ 942		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Special Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Federal aid	$ 3,575	$ -	$ 3,575
Medicaid	-	2,000	(2,000)
Reimbursements	31,583	-	31,583
Transfers in	2,859,040	2,628,315	230,725
Total Receipts	2,894,198	$ 2,630,315	$ 263,883
Expenditures			
Instruction	2,883,818	$ 3,084,178	$ (200,360)
Operations and maintenance	-	43,400	(43,400)
Student transportation services	286,325	235,700	50,625
Total Expenditures	3,170,143	$ 3,363,278	$ (193,135)
Receipts Over (Under) Expenditures	(275,945)		
Unencumbered Cash, Beginning	732,964		
Unencumbered Cash, Ending	$ 457,019		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Virtual Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Transfers in	$ 22,038	$ 13,950	$ 8,088
Total Receipts	22,038	$ 13,950	$ 8,088
Expenditures			
Instruction	22,200	$ 15,000	$ 7,200
Total Expenditures	22,200	$ 15,000	$ 7,200
Receipts Over (Under) Expenditures	(162)		
Unencumbered Cash, Beginning	1,050		
Unencumbered Cash, Ending	$ 888		

Schedule 2

Santa Fe Trail Unified School District No. 434
Carbondale, Kansas
Federal Grant Funds
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Title I Actual	Title II A Actual	Title V Actual	CARES-ESSER III Actual	Federal Funds Actual	Federal Funds Budget	Variance-Over (Under)
Receipts							
Federal aid	$ 170,028	$ 28,588	$ 18,856	$ 160,651	$ 378,123	$ 569,225	$ (191,102)
Miscellaneous	-	-	-	-	-	-	-
Transfers in	158,590	-	-	-	158,590	-	158,590
Total Receipts	328,618	28,588	18,856	160,651	536,713	$ 569,225	$ (32,512)
Expenditures							
Instruction	328,618	-	-	186,694	515,312	$ 568,715	$ (53,403)
Instructional support staff	-	1,262	-	-	1,262	510	752
Operations and maintenance	-	-	-	-	-	-	-
Student support services	-	-	-	-	-	-	-
Transfers out	-	27,326	18,856	-	46,182	-	46,182
Total Expenditures	328,618	28,588	18,856	186,694	562,756	$ 569,225	$ (6,469)
Receipts Over (Under) Expenditures	-	-	-	(26,043)	(26,043)		
Unencumbered Cash, Beginning	-	-	-	20,785	20,785		
Unencumbered Cash, Ending	$ -	$ -	$ -	$ (5,258)	$ (5,258)		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
State aid	$ 936,056	$ 1,139,498	$ (203,442)
Total Receipts	936,056	$ 1,139,498	$ (203,442)
Expenditures			
Instruction	606,099	$ 737,825	$ (131,726)
Student support services	65,521	79,762	(14,241)
Instructional support staff	28,083	34,187	(6,104)
General administration	28,083	34,187	(6,104)
School administration	74,886	91,161	(16,275)
Other support services	28,083	34,187	(6,104)
Operations and maintenance	56,160	68,366	(12,206)
Student transportation	2,339	2,847	(508)
Food service operations	46,802	56,976	(10,174)
Total Expenditures	936,056	$ 1,139,498	$ (203,442)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ -		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Contingency Reserve Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2026

	Actual
Receipts	
Transfers in	$ -
Total Receipts	-
Expenditures	
Transfers out	-
Total Expenditures	-
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	475,101
Unencumbered Cash, Ending	$ 475,101

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Textbook Rental Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2026

	Actual
Receipts	
Fees	$ 99,136
Total Receipts	99,136
Expenditures	
Instruction	57,931
Total Expenditures	57,931
Receipts Over (Under) Expenditures	41,205
Unencumbered Cash, Beginning	144,710
Unencumbered Cash, Ending	$ 185,915

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Capital Outlay Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Ad valorem current tax	$ 388,608	$ 540,106	$ (151,498)
Ad valorem tax in process	215,791	30,345	185,446
Delinquent	10,587	4,654	5,933
Motor and recreational vehicle	68,776	59,746	9,030
Recreational vehicle tax	1,975	1,744	231
Commercial vehicle tax	-	2,136	(2,136)
State aid	337,549	337,566	(17)
Interest	143,316	100,000	43,316
Miscellaneous	161,600	120,000	41,600
Transfers in	-	-	-
Total Receipts	1,328,202	$ 1,196,297	$ 131,905
Expenditures			
Instruction	308,433	$ 923,688	$ (615,255)
School administration equipment	30,026	45,000	(14,974)
Operations and maintenance	465,282	568,100	(102,818)
Capital	272,946	1,000,000	(727,054)
Total Expenditures	1,076,687	$ 2,536,788	$ (1,460,101)
Receipts Over (Under) Expenditures	251,515		
Unencumbered Cash, Beginning	1,346,628		
Unencumbered Cash, Ending	$ 1,598,143		

Santa Fe Trail Unified School District No. 434 **Schedule 2**
Carbondale, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

	Actual	Budget	Variance-Over (Under)
Receipts			
Ad valorem current tax	$ 327,126	$ 291,990	$ 35,136
Ad valorem tax in process	-	16,812	(16,812)
Delinquent	5,868	2,577	3,291
Motor and recreational vehicle	37,459	32,504	4,955
Recreational vehicle tax	1,075	949	126
Commercial vehicle tax	-	1,162	(1,162)
State aid	210,183	210,183	-
Total Receipts	581,711	$ 556,177	$ 25,534
Expenditures			
Principal	360,000	$ 360,000	$ -
Bond fees	-	10	(10)
Interest	29,228	29,228	-
Total Expenditures	389,228	$ 389,238	$ (10)
Receipts Over (Under) Expenditures	192,483		
Unencumbered Cash, Beginning	1,245,223		
Unencumbered Cash, Ending	$ 1,437,706		

Santa Fe Trail Unified School District No. 434 **Schedule 3**
Carbondale, Kansas
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2026

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School:				
Art club	$ 740	$ 500	$ -	$ 1,240
Activity fees	-	5,264	3,450	1,814
Band boosters	429	226	74	581
Cheerleaders	3,340	12,007	12,105	3,242
Class of 2029	612	770	-	1,382
Class of 2028	381	656	-	1,037
Class of 2025	733	36	-	769
Class of 2026	930	1,936	1,351	1,515
Class of 2027	1,061	3,403	3,883	581
Debate/forensics	360	-	119	241
Drama	600	464	634	430
Dance team	1,338	3,468	3,869	937
Drivers ed	-	45	-	45
FACS/BCBS	739	3,250	2,938	1,051
FBLA	6,666	16,733	15,127	8,272
FFA	-	16,037	3,073	12,964
Green team	703	-	295	408
KAY	2,087	4,275	397	5,965
Kitchen	230	-	-	230
ACCC scholarship	21,588	8,037	14,117	15,508
Ferril scholarship	440	-	400	40
Miscellaneous	1,221	519	-	1,740
National Honor Society	2,686	1,368	900	3,154
Sales tax	14,379	18,279	12,617	20,041
Scholar's bowl	3	347	350	-
Raby scholarship	2,480	-	1,600	880
Caution scholarship	3,875	6,160	1,785	8,250
Stuco	3,624	2,233	3,189	2,668
Concessions	4,316	19,508	21,615	2,209
Students in need	1,270	1,000	500	1,770
Therapy dog	4,292	-	622	3,670
Entrepreneurship	107	223	-	330
PE	90	-	-	90
Thunderstruck spirit club	732	2,881	2,076	1,537
Travel	-	161	-	161
Choir	545	646	758	433
Total High School	82,597	130,432	107,844	105,185

Santa Fe Trail Unified School District No. 434 **Schedule 3**
Carbondale, Kansas
Agency Funds (continued)
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2026

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Overbrook Attendance Center:				
Sales tax	$ 16	$ -	$ -	$ 16
Student light house	1,460	732	307	1,885
Gift fund	1,456	1,000	532	1,924
Total Overbrook Attendance Center	2,932	1,732	839	3,825
Carbondale Attendance Center:				
Cheerleaders	1,141	6,234	2,247	5,128
Weights	272	-	-	272
FBLA-jr.	-	7,332	1,895	5,437
Art	522	-	-	522
State assessment snacks	-	500	62	438
Band	1,237	160	1,397	-
Choir	(351)	735	384	-
PE	5	-	-	5
Pop fund	1,670	-	515	1,155
Social fund	103	-	-	103
Activity fees	-	100	100	-
Principal's fund	341	2,275	2,024	592
Sales tax	56	6,270	5,663	663
Scholarships	300	-	-	300
KAY	6,925	4,530	10,200	1,255
Library	-	18	-	18
Stuco projects	1,282	7,133	3,254	5,161
Concessions	8,454	7,150	4,575	11,029
Technology	-	180	180	-
Grade 8th graduation	535	-	395	140
Class of 2028	785	1,953	2,124	614
Class of 2027	465	1,850	1,982	333
Class of 2026	855	3,831	902	3,784
Class of 2025	77	-	77	-
Class of 2030	(401)	2,371	720	1,250
Class of 2029	805	521	676	650
Total Carbondale Attendance Center	25,078	53,143	39,372	38,849
Total Agency Funds	$ 110,607	$ 185,307	$ 148,055	$ 147,859

Santa Fe Trail Unified School District No. 434 **Schedule 4**
Carbondale, Kansas
Gate Receipts
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2026

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate receipts:						
Carbondale Attendance Center	$ 13,846	$ 18,555	$ 17,181	$ 15,220	$ -	$ 15,220
High School	7,361	113,319	101,100	19,580	-	19,580
Total gate receipts	$ 21,207	$ 131,874	$ 118,281	$ 34,800	$ -	$ 34,800

Schedule 5

Santa Fe Trail Unified School District No. 434
Carbondale, Kansas
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2026

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
School projects:						
Carbondale Attendance Center:						
Book fairs	$ (370)	$ 3,192	$ 2,832	$ (10)	$ -	$ (10)
Enrollment fees/textbooks	-	6,753	6,753	-	-	-
Memorials	135	-	-	135	-	135
Lunch account	-	16,809	16,809	-	-	-
Fundraisers	6,174	1,564	5,316	2,422	-	2,422
Quiz bowl	-	470	495	(25)	-	(25)
Yearbook	1,973	463	-	2,436	-	2,436
Total Carbondale Attendance Center	7,912	29,251	32,205	4,958	-	4,958
Overbrook Attendance Center:						
Book fairs	2,068	3,802	3,796	2,074	-	2,074
Enrollment fees/textbooks	-	2,753	2,753	-	-	-
District passes	-	50	50	-	-	-
Chromebook fee	-	1,650	1,650	-	-	-
Summer enrichment program	(83)	-	-	(83)	-	(83)
Library	498	-	26	472	-	472
Lunch account	8	13,370	13,378	-	-	-
Miscellaneous	1	-	-	1	-	1
Rock your school	1,116	-	-	1,116	-	1,116
Field trips	5,733	1,791	3,971	3,553	-	3,553
Social fund	24	424	381	67	-	67
Building fund	1,102	-	725	377	-	377
School fund	7,431	2,760	858	9,333	-	9,333
Yearbook	694	168	355	507	-	507
Total Overbrook Attendance Center	18,592	26,768	27,943	17,417	-	17,417
High School:						
Charger shop	3,671	884	1,434	3,121	-	3,121
Chromebook fee	-	4,145	3,420	725	-	725
Enrollment fees/textbooks	-	5,090	3,286	1,804	-	1,804
District passes	-	1,353	1,353	-	-	-
Library	546	4,031	3,954	623	-	623
Lunch account	-	22,208	21,497	711	-	711
Renaissance	1,029	-	-	1,029	-	1,029
Science department	369	-	-	369	-	369
Special services fund	(331)	750	2,751	(2,332)	-	(2,332)
Charger Day donation	80	-	-	80	-	80
Industrial technology	3,253	-	1,319	1,934	-	1,934
Summer school	-	-	-	-	-	-
Yearbook	8,826	9,718	4,954	13,590	-	13,590
Total High School	17,443	48,179	43,968	21,654	-	21,654
Total School Project Funds	$ 43,947	$ 104,198	$ 104,116	$ 44,029	$ -	$ 44,029

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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 A FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education
Santa Fe Trail Unified School District No. 434

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 the Santa Fe Trail Unified School District No. 434 (the District) which comprises the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash for the year ended June 30, 2026, and the related notes to the financial statement and have issued our report thereon dated October 30, 2026. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 a 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 may exist that have not been identified.

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Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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.

Shipley & Williams CPAs, LLC

Shipley & Williams CPAs, LLC
Topeka, Kansas
October 30, 2026