

**Educational Services and
Staff Development Association
of Central Kansas
Interlocal Unified School District
No. 622**

**Independent Auditor's Report and
Financial Statement, and Regulatory
Required Supplementary Information**

June 30, 2022



**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
June 30, 2022**

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**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
June 30, 2022**

Schedule 3

Summary of Receipts and Disbursements

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Independent Auditor's Report

Board of Directors
Educational Services and Staff Development
Association of Central Kansas
Interlocal Unified School District No. 622
Hutchinson, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, Kansas, as of and for the year ended June 30, 2022, 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 Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, Kansas as of June 30, 2022, 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 Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, 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 (GAAS) and the Kansas Municipal Audit and Accounting Guide. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, 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.

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 Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, 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 this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in *Note 1*; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, 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.

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, 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 Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, Kansas' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622, Hutchinson, 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, and summary of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in *Note 1*.

FORVIS, LLP

Wichita, Kansas
January 28, 2023

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Summary of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022**

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances	Ending Cash Balance
General	\$ 749,720	\$ 675,700	\$ 949,589	\$ 475,831	\$ -	\$ 475,831
Special Purpose						
Marketing and New Media	-	273,832	273,832	-	-	-
Student Services	991,838	1,713,785	1,311,319	1,394,304	-	1,394,304
Governance	-	206,884	206,884	-	-	-
Technology Services	-	283,006	281,851	1,155	-	1,155
Print Center Services	-	110,328	110,328	-	-	-
Presenter Match	-	69,241	69,241	-	-	-
Professional Learning	79,031	1,843,755	1,922,786	-	-	-
Back-End Office Support	-	436,792	436,792	-	-	-
Non Lead Agency	-	324,289	27,152	297,137	-	297,137
Private or Non-Public	20,074	17,941	17,941	20,074	-	20,074
Federal Funds						
Title III ESL	-	164,524	164,524	-	-	-
Carl Perkins	-	146,711	146,711	-	-	-
COVID-19	24,590	-	-	24,590	-	24,590
RUS	-	252,728	177,708	75,020	-	75,020
DOJ-VIBE	4,349	141,504	141,504	4,349	-	4,349
Total primary government	1,869,602	6,661,020	6,238,162	2,292,460	-	2,292,460
Related Municipal Entity						
Health Insurance Group	11,175,066	30,341,449	32,248,621	9,267,894	-	9,267,894
Total reporting entity (excluding Agency Fund)	\$ 13,044,668	\$ 37,002,469	\$ 38,486,783	\$ 11,560,354	\$ -	\$ 11,560,354

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Summary of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis (Continued)
For the Year Ended June 30, 2022**

Composition of Cash

Checking accounts - Simmons Bank	\$ 27,185
Checking accounts - RCB Bank	2,288,937
PayPal account	8,674
Total primary government	<u>2,324,796</u>
Related municipal entity	
Certificates of deposit - RCB Bank	6,360,000
Repurchase agreements - RCB Bank	2,902,173
Total related municipal entity	<u>9,262,173</u>
Agency Fund	<u>(26,615)</u>
Total reporting entity (excluding Agency Fund)	<u><u>\$ 11,560,354</u></u>

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2022**

Note 1: Summary of Significant Accounting Policies

This summary of significant accounting policies of Educational Services and Staff Development Association of Central Kansas, Interlocal Unified School District No. 622 (the Interlocal) is presented to assist in understanding the Interlocal's financial statement. The financial statement and notes are representations of the Interlocal's management, who is responsible for their integrity and objectivity. These accounting policies conform to a comprehensive basis of accounting other than generally accepted accounting principles and have been consistently applied in the preparation of the financial statement.

Reporting Entity

The Interlocal is a unified school district established as a cooperative to provide staff development services to participating unified school districts. In addition, the Interlocal formed a health benefit insurance group available to itself and participating districts. The Interlocal cannot levy taxes, but receives its revenue from federal and state aid and contracting participating unified school districts for staff development services. The Interlocal annually prepares a formal budget, which is filed with the Kansas State Department of Education.

The related municipal entity's section of the financial statement includes the financial data of the Health Insurance Group. This related municipal entity is reported separately to emphasize that it is legally separate from the Interlocal. The governing body of this related municipal entity is appointed by the Interlocal.

Health Insurance Group

On October 1, 1993, the Interlocal formed a health insurance group for itself and participating districts. Blue Cross and Blue Shield serves as the third-party administrator, handling claims and collecting premiums. The Interlocal serves as a flow through entity for these funds only.

Basis of Presentation

The financial activities of the Interlocal are recorded and presented on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2022**

The following types of funds comprise the financial activities of the Interlocal for the fiscal year ending June 30, 2022:

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

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

Agency Fund – 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.).

Basis of Accounting

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

The Interlocal 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.

Budget

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. 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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2022**

The budget law K.S.A. 79-2925 applies to taxing subdivisions or municipalities. The Interlocal does not directly levy a tax, therefore, it is not subject to the budget law. The budget adopted by the Interlocal is a management tool, which is used to establish the Interlocal's internal spending limits.

Note 2: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan description. The Interlocal 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, Kansas 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 payments of \$19.4 million starting in fiscal year 2020.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2022**

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 Senate Bill 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 Interlocal employees. The Interlocal is responsible for the employer's portion of the cost for retired Interlocal employees. On behalf of the Interlocal, the state received and remitted amounts equal to the statutory contribution rate, which totaled \$329,010 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the Interlocal proportionate share of the collective net pension liability reported by KPERS was \$49,861. 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 Interlocal's proportion of the net pension liability was based on the ratio of the Interlocal'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.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2022**

Note 3: Compensated Absences

Vacation

Full-time employees are granted paid vacation according to the following provisions:

- 1 - 5 years service = 10 days per year vacation
- 6 - 10 years service = 15 days per year vacation
- +11 years service = 20 days per year vacation

Vacation time may accumulate to 40 days. Days in excess of this limit must be used within the next fiscal year. Terminated or retiring employees shall have the option of being paid a percentage of his/her daily rate for that year, less appropriate payroll deductions, for any unused vacation days as indicated below. The maximum number of days that can be reimbursed shall not exceed 40.

Years of Service	Earned Vacation Days	Separation Reimbursement Rate
1-5	10	50%
6-10	15	70%
+11	20	90%

Sick Leave

Full-time employees are granted 10 days of leave per year with the ability to accumulate up to 70 days of sick leave if the days are not used in the current year. Terminated or retiring employees are compensated for their unused sick leave at the rate of \$15.00 per day.

Note 4: Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the Interlocal. The statute requires banks eligible to hold the Interlocal's funds have a main or branch bank in the county in which the Interlocal 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 Interlocal has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Interlocal'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 Interlocal has no investment policy that would further limit its investment choices.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2022**

Concentration of credit risk. State statutes place no limit on the amount the Interlocal 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 Interlocal's deposits may not be returned to it. State statutes require the Interlocal'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 Interlocal has no designated "peak periods."

At June 30, 2022, the carrying amounts of the Interlocal's deposits were \$11,560,354. The bank balances were \$12,317,771. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$6,637,185 was covered by federal depository insurance and the remaining amount was collateralized with securities and lines of credit held by the pledging financial institutions' agents in the District's name.

Note 5: Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the Interlocal allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the Interlocal 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 Interlocal 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 6: Risk Management

The Interlocal continues to carry commercial insurance for all other risks of loss, including property, liability, crime, inland marine, automobile and workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Educational Services and Staff Development Association of Central Kansas

Interlocal Unified School District No. 622

Notes to Financial Statement For the Year Ended June 30, 2022

Note 7: Interfund Transactions

Operating transfers per K.S.A 72-6428 were as follows:

From	To	Amount
General Fund	Professional Learning	\$ 609,165
Professional Learning	Non-Lead Agency	226,704
Professional Learning	Governance	206,122
Professional Learning	Technology	169,986
Professional Learning	Back-end Office Support	143,881
Professional Learning	Presenter Match	65,508
Professional Learning	Marketing/New Media	47,331
Professional Learning	Grants - Title III	13,322
General Fund	Grants - Title III	10,800
Professional Learning	Grants - Private	8,441
Professional Learning	DOJ - VIBE 2020	4,237
General Fund	Presenter Match	3,733
General Fund	Back-end Office Support	612
General Fund	Marketing/New Media	555
General Fund	Governance	554
Professional Learning	Print Center Services	421
General Fund	Technology	241
General Fund	Print Center Services	7

Note 8: Lease Commitments

As of June 30, 2022, the Interlocal leased office space under various noncancellable operating leases. Future minimum lease payments required under the operating leases are as follows:

Year Ended June 30,	
2023	\$ 123,475
2024	115,000
2025	<u>47,917</u>
Total minimum lease payments	<u><u>\$ 286,392</u></u>

The Interlocal also has several month-to-month leases for various locations that are considered operating leases with either party able to cancel with appropriate notice.

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Notes to Financial Statement
For the Year Ended June 30, 2022**

Note 9: Long-term Debt

Changes in long-term debt for the Interlocal for the year ended June 30, 2022, were are follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Capital Leases									
Copiers	3.50%	8/23/2016	69,629	7/23/2021	\$ 410	\$ -	\$ 410	\$ -	\$ 3
Copiers	2.45%	11/6/2020	80,070	11/6/2025	69,952	-	15,491	54,461	1,541
Total					<u>\$ 70,362</u>	<u>\$ -</u>	<u>\$ 15,901</u>	<u>\$ 54,461</u>	<u>\$ 1,544</u>

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

	2023	2024	2025	2026	Total
Principal Capital leases	\$ 15,874	\$ 16,268	\$ 16,671	\$ 5,648	\$ 54,461
Interest Capital leases	<u>1,157</u>	<u>764</u>	<u>360</u>	<u>29</u>	<u>2,310</u>
Total principal and interest	<u>\$ 17,031</u>	<u>\$ 17,032</u>	<u>\$ 17,031</u>	<u>\$ 5,677</u>	<u>\$ 56,771</u>

Regulatory Required Supplemental Information

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Summary of Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

Funds	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General and other Special Purpose Funds*	<u>\$ 5,607,715</u>	<u>\$ 5,607,715</u>	<u>\$ -</u>

* The Interlocal does a budget for the entire entity excluding federal funds, see *Note 1*

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Membership fees	\$ 475,105	\$ 675,700	\$ (200,595)
Interest income	5,692	-	5,692
Administrative service fees	154,738	-	154,738
Other	40,165	-	40,165
	<u>675,700</u>	<u>675,700</u>	<u>-</u>
Total receipts	<u>675,700</u>	<u>675,700</u>	<u>-</u>
Expenditures			
General administration	72,137	949,589	(877,452)
Rent	68,353	-	68,353
Contractual services	155,701	-	155,701
Repairs and maintenance	27,607	-	27,607
Travel	124	-	124
Transfer to:			
Professional Learning	609,165	-	609,165
Grants - Title III	10,800	-	10,800
Presenter Match	3,733	-	3,733
Marketing/New Media	555	-	555
Governance	554	-	554
Back-end Office Support Fund	612	-	612
Technology	241	-	241
Print Center Services	7	-	7
	<u>949,589</u>	<u>\$ 949,589</u>	<u>\$ -</u>
Total expenditures	<u>949,589</u>	<u>\$ 949,589</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(273,889)		
Unencumbered Cash, Beginning	<u>749,720</u>		
Unencumbered Cash, Ending	<u>\$ 475,831</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Marketing and New Media Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Retail sales	\$ 219,946	\$ 273,832	\$ (53,886)
Other	6,000	-	6,000
Transfer from:			
General Fund	555	-	555
Professional Learning	47,331	-	47,331
	<u>273,832</u>	<u>273,832</u>	<u>-</u>
Total receipts			
	<u>273,832</u>	<u>273,832</u>	<u>-</u>
Expenditures			
Administration	168,013	273,832	(105,819)
Resale products	97,000	-	97,000
Contractual services	7,319	-	7,319
Repairs and maintenance	78	-	78
Travel	1,422	-	1,422
	<u>273,832</u>	<u>\$ 273,832</u>	<u>\$ -</u>
Total expenditures			
	<u>273,832</u>	<u>\$ 273,832</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Student Services Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
District assessments	\$ 1,631,329	\$ 1,713,785	\$ (82,456)
Tutoring and tuition	400	-	400
Consulting	36,030	-	36,030
Other	46,026	-	46,026
	<u>1,713,785</u>	<u>1,713,785</u>	<u>-</u>
Expenditures			
Administration	1,018,736	1,311,319	(292,583)
Materials	43	-	43
Administrative fees	150,818	-	150,818
Contractual services	43,844	-	43,844
Repair and maintenance	932	-	932
Rent	87,730	-	87,730
Travel	9,216	-	9,216
	<u>1,311,319</u>	<u>\$ 1,311,319</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	402,466		
Unencumbered Cash, Beginning	<u>991,838</u>		
Unencumbered Cash, Ending	<u>\$ 1,394,304</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Governance Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Administrative service fees	\$ 208	\$ 206,884	\$ (206,676)
Transfer from:			
General Fund	554	-	554
Professional Learning	206,122	-	206,122
	<u>206,884</u>	<u>-</u>	<u>206,122</u>
Total receipts	<u>206,884</u>	<u>206,884</u>	<u>-</u>
Expenditures			
Administration	203,048	206,884	(3,836)
Contractual services	773	-	773
Travel	3,063	-	3,063
	<u>206,884</u>	<u>-</u>	<u>3,063</u>
Total expenditures	<u>206,884</u>	<u>\$ 206,884</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Technology Services Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Consulting	\$ 112,779	\$ 283,006	\$ (170,227)
Transfer from:			
General Fund	241	-	241
Professional Learning	169,986	-	169,986
	<u>283,006</u>	<u>283,006</u>	<u>-</u>
Total receipts	<u>283,006</u>	<u>283,006</u>	<u>-</u>
Expenditures			
Administration	181,240	281,851	(100,611)
Contractual services	100,089	-	100,089
Repairs & Maintenance	73	-	73
Travel	449	-	449
	<u>281,851</u>	<u>\$ 281,851</u>	<u>\$ -</u>
Total expenditures	<u>281,851</u>	<u>\$ 281,851</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	1,155		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 1,155</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Print Center Services Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Printing	\$ 109,900	\$ 110,328	\$ (428)
Transfer from:			
General Fund	7	-	7
Professional Learning	421	-	421
	<u>110,328</u>	<u>110,328</u>	<u>-</u>
Total receipts	<u>110,328</u>	<u>110,328</u>	<u>-</u>
Expenditures			
Administration	91,315	110,328	(19,013)
Contractual	1,298	-	1,298
Repair and maintenance	17,715	-	17,715
	<u>110,328</u>	<u>\$ 110,328</u>	<u>\$ -</u>
Total expenditures	<u>110,328</u>	<u>\$ 110,328</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Presenter Match Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Transfer from			
General Fund	\$ 3,733	\$ 69,241	\$ (65,508)
Professional Learning	<u>65,508</u>	<u>-</u>	<u>65,508</u>
Total receipts	<u>69,241</u>	<u>69,241</u>	<u>-</u>
Expenditures			
Administration	<u>69,241</u>	<u><u>\$ 69,241</u></u>	<u><u>\$ -</u></u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u><u>\$ -</u></u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Professional Learning Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Consulting	\$ 851,388	\$ 1,843,755	\$ (992,367)
Workshop fees	279,018	-	279,018
Administrative Service Fees	38,753	-	38,753
Retail	308	-	308
Interest	5	-	5
Other	65,118	-	65,118
Transfer from:			
General Fund	609,165	-	609,165
	<u>1,843,755</u>	<u>1,843,755</u>	<u>-</u>
Total receipts			
Expenditures			
Administration	832,282	1,922,786	(1,090,504)
Materials	16,179	-	16,179
Contractual services	69,178	-	69,178
Repairs and maintenance	1,607	-	1,607
Travel	112,477	-	112,477
Resale products	5,110	-	5,110
Transfer to:			
Non-Lead Agency	226,704	-	226,704
Governance	206,122	-	206,122
Technology Services	169,986	-	169,986
Presenter Match	65,508	-	65,508
Back End Office Support	143,881	-	143,881
Print Center Services	421	-	421
Marketing/New Media	47,331	-	47,331
Grants - Private	8,441	-	8,441
DOJ - VIBE 2020	4,237	-	4,237
Grants - Title III	13,322	-	13,322
	<u>1,922,786</u>	<u>\$ 1,922,786</u>	<u>\$ -</u>
Total expenditures			
Receipts Over (Under) Expenditures	(79,031)		
Unencumbered Cash, Beginning	<u>79,031</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Back-End Office Support Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Administrative services fees	\$ 227,705	\$ 436,792	\$ (209,087)
Membership fees	21,700	-	21,700
Copier program	42,885	-	42,885
Other	9	-	9
Transfer from:			
General Fund	612	-	612
Professional Learning	143,881	-	143,881
	<u>436,792</u>	<u>436,792</u>	<u>-</u>
Total receipts	<u>436,792</u>	<u>436,792</u>	<u>-</u>
Expenditures			
Administration	420,260	436,792	(16,532)
Contractual services	15,484	-	15,484
Travel	1,048	-	1,048
	<u>436,792</u>	<u>\$ 436,792</u>	<u>\$ -</u>
Total expenditures	<u>436,792</u>	<u>\$ 436,792</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Non-Lead Agency
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Non-Govt Grants	\$ 97,585	\$ 324,289	\$ (226,704)
Transfer from:			
Professional Learning	<u>226,704</u>	<u>-</u>	<u>226,704</u>
Total receipts	<u>324,289</u>	<u>324,289</u>	<u>-</u>
Expenditures			
Materials	20,736	27,152	(6,416)
Computer Supplies	<u>6,416</u>	<u>-</u>	<u>6,416</u>
Total expenditures	<u>27,152</u>	<u>\$ 27,152</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	297,137		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 297,137</u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Grants Private or Non-Public
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022**

	Actual	Budget	Variance Over (Under)
Receipts			
Non-Govt Grants	\$ 9,500	\$ 17,941	\$ (8,441)
Transfer from:			
Professional Learning	<u>8,441</u>	<u>-</u>	<u>8,441</u>
Total receipts	<u>17,941</u>	<u>17,941</u>	<u>-</u>
Expenditures			
Administration	10,291	17,941	(7,650)
Contractual	<u>7,650</u>	<u>-</u>	<u>7,650</u>
Total expenditures	<u>17,941</u>	<u>\$ 17,941</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>20,074</u>		
Unencumbered Cash, Ending	<u><u>\$ 20,074</u></u>		

**Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Federal Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022**

	<u>Title III ESL</u>	<u>Carl Perkins</u>	<u>COVID-19</u>	<u>RUS</u>	<u>DOJ - Vibe</u>
Receipts					
Federal funds	\$ 140,402	\$ 146,711	\$ -	\$ 252,728	\$ 137,267
Transfer from					
General fund	10,800	-	-	-	-
Professional Services	<u>13,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,237</u>
Total receipts	<u>164,524</u>	<u>146,711</u>	<u>-</u>	<u>252,728</u>	<u>141,504</u>
Expenditures					
Direct services	<u>164,524</u>	<u>146,711</u>	<u>-</u>	<u>177,708</u>	<u>141,504</u>
Receipts Over (Under) Expenditures	-	-	-	75,020	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>	<u>24,590</u>	<u>-</u>	<u>4,349</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,590</u>	<u>\$ 75,020</u>	<u>\$ 4,349</u>

Educational Services and Staff Development Association
of Central Kansas
Interlocal Unified School District No. 622
Related Municipal Entity
Health Insurance Group
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022

	<u>Actual</u>
Receipts	
Premiums and fees collected	\$ 30,322,906
Interest	<u>18,543</u>
Total receipts	<u>30,341,449</u>
Claims incurred and fees paid	31,977,572
Other	<u>271,049</u>
Total expenditures	<u>32,248,621</u>
Receipts Over (Under) Expenditures	(1,907,172)
Unencumbered Cash, Beginning	<u>11,175,066</u>
Unencumbered Cash, Ending	<u><u>\$ 9,267,894</u></u>

**Educational Services and Staff Development Association
 of Central Kansas
 Interlocal Unified School District No. 622
 Agency Fund
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended June 30, 2022**

Funds	Beginning Cash Balance	Cash Receipts	Disbursements	Ending Cash Balance
Foundation for Leadership and Learning	\$ 18,207	\$ 10,750	\$ 2,342	\$ 26,615