UNIFIED SCHOOL DISTRICT NO. 336

Holton, Kansas

FINANCIAL STATEMENT

WITH

INDEPENDENT AUDITOR'S REPORT

June 30, 2022

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
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November 8, 2022

Board of Education
Unified School District No. 336
Holton, Kansas

Independent Auditor's Report

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 336 (the District), 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 the District 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 the District as of June 30, 2022, and the aggregate receipts and expenditures for they 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), KMAAG and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the 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 the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 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.

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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 the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not required as 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 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the District's basic financial statement. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2022 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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS						
General Funds:						
General Fund	$ -	$ 8,384,393	$ 8,384,393	$ -	$ 1,762	$ 1,762
Supplemental General Fund	110,088	2,689,379	2,765,584	33,883	41,116	74,999
Special Purpose Funds						
Career and Postsecondary Education	-	385,000	385,000	-	-	-
Special Education Fund	47,133	1,361,074	1,288,436	119,771	-	119,771
Driver Education	51,272	14,844	11,921	54,195	-	54,195
Food Service Fund	340,587	1,023,049	841,972	521,664	26,386	548,050
Capital Outlay Fund	560,347	1,047,321	1,216,636	391,032	744,041	1,135,073
Gifts and Grants Fund	15,532	37,592	965	52,159	-	52,159
Parent Education Fund	1,500	19,500	19,500	1,500	-	1,500
Professional Development Fund	100	93,484	78,584	15,000	1,000	16,000
Summer School Fund	2,131	4,662	1,793	5,000	-	5,000
Special Education Cooperative Fund	1,613,623	5,500,408	5,535,719	1,578,312	2,033	1,580,345
KPERS Special Contribution Fund	-	1,635,312	1,635,312	-	-	-
At-Risk (K-12)	-	1,632,726	1,632,726	-	-	-
At-Risk (4 year olds)	42	215,387	215,429	-	-	-
Bilingual Education Fund	-	21,485	21,485	-	-	-
Virtual Education Fund	-	132,727	132,727	-	-	-
District Activity Funds	206,644	366,793	366,756	206,681	-	206,681
Textbook Rental Fund	260,175	108,259	101,379	267,055	41,698	308,753
Contingency Reserve Fund	882,000	-	-	882,000	-	882,000
Title I Fund	-	200,648	200,648	-	-	-
Migrant Fund	-	17,901	17,901	-	-	-

(Continued)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS (CONTINUED)						
Special Purpose Funds (Continued)						
Title VIB Fund	$ (873)	$ 26,810	$ 28,339	$ (2,402)	$ -	$ (2,402)
Mini-Grants	81	-	-	81	-	81
ACE Program Fund	235	36,864	44,091	(6,992)	90	(6,902)
Title ILA Fund	-	40,319	40,319	-	-	-
JCCTCC Fund	1,117	1,832	1,141	1,808	-	1,808
Carl Perkins Grant	-	5,599	5,865	(266)	335	69
ESSER - CARES	(72,499)	391,796	1,089,540	(770,243)	460,878	(309,365)
Bond and Interest Fund						
Bond and Interest Fund - #1	2,105,038	1,727,563	1,418,967	2,413,634	-	2,413,634
Capital Projects - Elementary Bond	193,285	5,066	43,815	154,536	2,750	157,286
Total Reporting Entity (Excluding Agency Funds)	$ 6,317,558	$ 27,127,793	$ 27,526,943	$ 5,918,408	$ 1,322,089	$ 7,240,497

Composition of Cash	
Checking Accounts	$ 155,908
Savings Accounts	6,508,581
Kansas Municipal Investment Pool	657,350
Construction Account	5,609
Total Cash	$ 7,327,448
Less: Agency Funds per Schedule 3	(86,951)
Total Reporting Entity (Excluding Agency Funds)	$ 7,240,497

STATEMENT 1 (CONTINUED)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

Note 1: Summary of Significant Accounting Policies

Financial Reporting Entity

The Unified School District No. 336 (the District), is a municipal corporation governed by an elected seven member board. The District as an entity has been defined to include, on a combined basis, (a) the District (b) organizations for which the District is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting District's financial statements to be misleading or incomplete. There are currently no organizations which meet the foregoing criteria for being combined in the District's report.

Fund Descriptions

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 on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the District:

Governmental Funds

General Fund is used to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds are used to account for the proceeds of specific revenue sources (other than major capital projects and tax levies for long-term debt) that are restricted by law or administrative action to expenditure for specified purposes.

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

Bond and Interest Fund is used to account for the accumulation of resources for and the payment of interest and principal on general long-term debt.

Fiduciary Funds

Trust and Agency Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Those include expendable trust funds and agency funds. The activity funds are considered an agency fund and the balance on hand is payable to student organizations.

Basis of Presentation

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 balances 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 revenues 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 statutory basis of accounting.

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Descriptions (Continued)

Reimbursed Expenses

Expenditures in the amount of $21,422 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as expenditures.

Use of Estimates

The preparation of a financial statement on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2: Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute) and bond and interest funds. 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 twelve month period on or before August 1 of each year.
2. Publication in a local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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 amendments this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements 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 revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

Note 2: Budgetary Information (Continued)

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

Title IIA	ACE Grant Program
Textbook	Contingency Reserve
JCCTCC Grant	Title I
Cark Perkins Grant	Mini-Grants
Title I	Title VI B

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

Note 3: Deposits and Investments

As of June 30, 2022, the District had the following investment:

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less than 1	1 to 2	Rating U.S.
Kansas Municipal Investment Pool	$ 657,350	$ 657,350	$ -	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 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 limits its investment choices. The rating of the District's investment is noted above.

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

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

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 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 limits its investment choices. The rating of the District's investment is noted above.

Note 3: Deposits and Investments(Continued

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. The District's allocation of investments as of June 30, 2022, is as follows:

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 District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not utilize peak periods. All deposits were legally secured at June 30, 2022.

At June 30, 2022, the District's carrying amount of deposits was $6,670,098 and the bank balance was $6,844,821. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $492,798 was covered by the federal depository insurance, and the remaining $6,352,023 was collateralized with bank pledged securities whose fair value on June 30, 2022 was $8,939,825. The pledged securities are held by a third party bank.

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 position of an outside party. State statues require investments to be adequately secured.

Note 4: In-Substance Receipt in Transit

The district received $470,664 subsequent to June 30, 2022 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

Note 5: Defined Benefit Pension Plan

Plan Description

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

Contributions

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

Note 5: Defined Benefit Pension Plan(Continued)

Contributions(Continued)

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.

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 District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $1,635,312 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was $11.140.859. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement. The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

Note 6: Risk Management

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the district carries commercial insurance. There have been no significant reductions in coverage from prior years and settlements have not exceeded coverage in the past three years.

Note 7: Stewardship, Compliance and Accountability

We noted no violations of Kansas Statutes during the period under examination.

Note 8: Compensated Absences

The District does not reimburse employees for unused vacation time. Employees working less than twelve months per year earn ten days sick leave per year. Full year employees earn twelve days sick leave annually. Classified sick leave is accrued in hours equal to each individual's working day and cannot exceed the equivalent of seventy five of an individual's work days. Each year, the District reimburses employees for accumulated unused sick leave in excess of seventy five days. The District has not accrued compensated absences at June 30, 2022.

Note 9: Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government 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 government makes health care 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. There is no cost to the District under this program.

Note 10: Interfund Transfers

From	To	Statutory Authority	Amount
General Fund	Special Education Fund	K.S.A. 72-6428	$ 1,106,517
General Fund	Capital Outlay Fund	K.S.A. 72-6428	250,000
General Fund	Career and Postsecondary Fund	K.S.A. 72-6428	385,000
General Fund	At-Risk (K-12) Fund	K.S.A. 72-5153	812,726
General Fund	At Risk (4 year old) Fund	K.S.A. 72-6428	215,217
General Fund	Bilingual Fund	K.S.A. 72-6428	4,892
General Fund	Virtual Education Fund	K.S.A. 72-6428	71,789
General Fund	Professional Development Fund	K.S.A. 72-6428	45,000
General Fund	Summer School Fund	K.S.A. 72-6428	4,662
Supplemental General Fund	Special Education Fund	K.S.A. 72-6433	226,632
Supplemental General Fund	Food Service Fund	K.S.A. 72-6433	2,657
Supplemental General Fund	Parent Education Fund	K.S.A. 72-6433	19,500
Supplemental General Fund	Professional Development Fund	K.S.A. 72-6433	48,484
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	820,000
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	16,593
Supplemental General Fund	Virtual Education Fund	K.S.A. 72-6433	60,938
Supplemental General Fund	Textbook Rental Fund	K.S.A. 72-6433	64,982
Title IVA Drug Free Fund	Title I Fund	Per Board	17,901
			$ 4,173,490

Note 11: Contingency

The District receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by federal and state agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the District's management, such disallowances, if any, will not be significant to the District's financial statement.

Note 12: Subsequent Events

Management has evaluated subsequent events through November 8, 2022, which is the date the financial statement was available to be released.

Note 13: Indebtedness

The District is subject to the statutes of the State of Kansas that limits the net bonded debt. The debt outstanding may not exceed 14% of the assessed value of all tangible taxable property within the District unless additional authority is granted by the Kansas State Board of Education. The amount of bonds outstanding is computed exclusive of certain bonds specifically exempted from this limitation. At June 30, 2022, the statutory limit for the District was $7,906,059 thus creating excess indebtedness of $10,908,941. The outstanding bond principal represents 33.32% of the District valuation. The District has received approval from the Kansas State Board of Education to exceed the general bond debt limitation.

Note 14: COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2022.

As a result of the COVID-19 outbreak, numerous Federal and State grants have been made available to the District to assist with the risks and help offset incurred costs of the District.

Note 15: Long-Term Debt

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

	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Changes	Balance End of Year	Interest Paid
General Obligation Bonds										
2014 Issue	2-6.07%	8/27/14	$ 3,485,000	9/1/22	$ 1,240,000	$ -	$ 605,000	$ (605,000)	$ 635,000	$ 46,875
2017 Issue	3-4%	6/1/17	9,230,000	9/1/36	8,865,000	-	3,580,000	(3,580,000)	5,285,000	229,500
2017-8 Issue	3-4%	6/1/17	8,570,000	9/1/36	8,175,000	-	4,010,000	(4,010,000)	4,165,000	230,581
2022 Issue	.32-1.81%	9/15/21	8,730,000	9/1/31	-	8,730,000	-	8,730,000	8,730,000	44,205
Capital Leases										
High School Addition #1	2-3.5%	4/1/12	$ 1,720,000	4/1/22	$ 195,000	$ -	$ 195,000	$ (195,000)	$ -	$ 6,826
High School Addition #2	.95-2.88	5/1/13	560,000	4/1/23	120,000	-	60,000	(60,000)	60,000	3,376
Total Long-Term Debt					$ 18,595,000	$ 8,730,000	$ 8,450,000	$ 280,000	$ 18,875,000	$ 561,363

Note 16: Long-Term Debt (Continued)

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	2027	2028-2032	Total
Principal							
General Obligation Bonds	$ 1,890,000	$ 1,950,000	$ 1,995,000	$ 2,035,000	$ 2,085,000	$ 8,860,000	$ 18,815,000
Capital Leases	60,000	-	-	-	-	-	60,000
Total Principal	$ 1,950,000	$ 1,950,000	$ 1,995,000	$ 2,035,000	$ 2,085,000	$ 8,860,000	$ 18,875,000
Interest							
General Obligation Bonds	$ 420,029	$ 379,205	$ 339,102	$ 295,669	$ 248,798	$ 489,338	$ 2,172,141
Capital Leases	1,726	-	-	-	-	-	1,726
Total Interest	$ 421,755	$ 379,205	$ 339,102	$ 295,669	$ 248,798	$ 489,338	$ 2,173,867
TOTAL PRINCIPAL AND INTEREST	$ 2,371,755	$ 2,329,205	$ 2,334,102	$ 2,330,669	$ 2,333,798	$ 9,349,338	$ 21,048,867

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

Funds	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental Type Funds:						
General Fund	$ 8,518,123	$ (155,152)	$ 21,422	$ 8,384,393	$ 8,384,393	$ -
Supplemental General Fund	2,765,584	-	-	2,765,584	2,765,584	-
Special Revenue Funds						
Career and Postsecondary Education Fund	385,000	-	-	385,000	385,000	-
Special Education Fund	1,398,849	-	-	1,398,849	1,288,436	(110,413)
Driver Training Fund	66,608	-	-	66,608	11,921	(54,687)
Food Service Fund	980,368	-	-	980,368	841,972	(138,396)
Capital Outlay Fund	2,799,371	-	-	2,799,371	1,216,636	(1,582,735)
Gifts and Grants Fund	30,613	-	-	30,613	965	(29,648)
Parent Education Fund	21,300	-	-	21,300	19,500	(1,800)
Professional Development Fund	97,607	-	-	97,607	78,584	(19,023)
Summer School Fund	2,131	-	-	2,131	1,793	(338)
Special Education Cooperative Fund	7,106,075	-	-	7,106,075	5,535,719	(1,570,356)
KPERS Special Contribution Fund	1,813,566	-	-	1,813,566	1,635,312	(178,254)
At-Risk Fund (K-12)	1,632,726	-	-	1,632,726	1,632,726	-
At-Risk Fund (4 year olds)	256,862	-	-	256,862	215,429	(41,433)
Bilingual Education Fund	88,109	-	-	88,109	21,485	(66,624)
Virtual Education Fund	140,048	-	-	140,048	132,727	(7,321)
Bond & Interest Fund						
Bond and Interest Fund	1,514,225	-	-	1,514,225	1,418,967	(95,258)
Total Funds	$ 29,617,165	$ (155,152)	$ 21,422	$ 29,483,435	$ 25,587,149	$ (3,896,286)

SCHEDULE 1

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid/grants	$ 8,362,971	$ 8,518,123	$ (155,152)
Reimbursements	21,422	-	21,422
Total Receipts	$ 8,384,393	$ 8,518,123	$ (133,730)
EXPENDITURES			
Instruction	$ 2,675,974	$ 2,784,823	$ (108,849)
Student support services	382,699	375,692	7,007
Instructional support staff	334,934	286,032	48,902
General administration	143,161	136,874	6,287
School administration	618,169	583,316	34,853
Operations and maintenance	741,224	1,039,191	(297,967)
Student transportation services	467,275	392,547	74,728
Central support services	125,154	144,976	(19,822)
Operating transfers	2,895,803	2,774,672	121,131
Adjustment to comply with legal max	-	(155,152)	155,152
Adjustment for qualifying budget credits	-	21,422	(21,422)
Total Expenditures	$ 8,384,393	$ 8,384,393	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	$ 782,669	$ 7,738	$ 774,931
Delinquent tax	8,310	7,506	804
Motor vehicle tax	99,146	90,736	8,410
RV tax	1,901	1,696	205
State aid/grants	1,797,353	1,797,353	-
Transfers in	-	29,000	(29,000)
Total Receipts	$ 2,689,379	$ 1,934,029	$ 755,350
EXPENDITURES			
Instruction	$ 705,569	$ 812,560	$ (106,991)
Student support services	10,100	7,474	2,626
Instructional support staff	34,431	38,944	(4,513)
General administration	14,569	15,352	(783)
School administration	85,218	75,268	9,950
Operations and maintenance	616,203	533,132	83,071
Student transportation services	39,708	33,977	5,731
Operating transfers	1,259,786	1,248,877	10,909
Total Expenditures	$ 2,765,584	$ 2,765,584	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ (76,205)		
UNENCUMBERED CASH - BEGINNING	110,088		
UNENCUMBERED CASH - ENDING	$ 33,883		

UNIFIED SCHOOL DISTRICT NO. 336
Abilene, Kansas
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 385,000	$ 385,000	$ -
EXPENDITURES			
Instruction	$ 385,000	$ 385,000	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local - Other	$ -	$ 47,396	$ (47,396)
Federal grants	27,925	42,690	(14,765)
Operating transfers	1,333,149	1,261,630	71,519
Total Receipts	$ 1,361,074	$ 1,351,716	$ 9,358
EXPENDITURES			
Instruction	$ 1,251,003	$ 1,360,849	$ (109,846)
Student support services	70	-	70
Student transportation services	37,363	38,000	(637)
Total Expenditures	$ 1,288,436	$ 1,398,849	$ (110,413)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 72,638		
UNENCUMBERED CASH - BEGINNING	47,133		
UNENCUMBERED CASH - ENDING	$ 119,771		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local - Other	$ 8,256	$ 8,736	$ (480)
State aid/grants	6,588	6,600	(12)
Total Receipts	$ 14,844	$ 15,336	$ (492)
EXPENDITURES			
Instruction	$ 10,762	$ 12,207	$ (1,445)
Operations and maintenance	1,159	54,401	(53,242)
Total Expenditures	$ 11,921	$ 66,608	$ (54,687)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 2,923		
UNENCUMBERED CASH - BEGINNING	51,272		
UNENCUMBERED CASH - ENDING	$ 54,195		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Federal grants	$ 992,316	$ 409,021	$ 583,295
State aid/grants	871	4,250	(3,379)
Charges for services	27,205	185,678	(158,473)
Miscellaneous revenues	-	8,457	(8,457)
Operating transfers	2,657	1,520	1,137
Total Receipts	$ 1,023,049	$ 608,926	$ 414,123
EXPENDITURES			
Food service operations	$ 841,972	$ 980,368	$ (138,396)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 181,077		
UNENCUMBERED CASH - BEGINNING	340,587		
UNENCUMBERED CASH - ENDING	$ 521,664		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	$ 448,338	$ 428,319	$ 20,019
Delinquent tax	4,681	4,369	312
Motor vehicle tax	53,644	51,838	1,806
Local - Other	100	494,680	(494,580)
Reimbursements	14,139	-	14,139
State aid/grants	268,353	271,065	(2,712)
Interest income	8,066	13,291	(5,225)
Operating transfers	250,000	250,000	-
Total Receipts	$ 1,047,321	$ 1,513,562	$ (466,241)
EXPENDITURES			
Instruction	$ 919,602	$ 730,633	$ 188,969
Operations and maintenance	14,561	19,462	(4,901)
Student transportation services	12,478	415,849	(403,371)
Facility acquisition and construction services	269,995	1,633,427	(1,363,432)
Total Expenditures	$ 1,216,636	$ 2,799,371	$ (1,582,735)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (169,315)		
UNENCUMBERED CASH - BEGINNING	560,347		
UNENCUMBERED CASH - ENDING	$ 391,032		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local - Other	$ 37,592	$ 15,000	$ 22,592
EXPENDITURES			
Instruction	$ 965	$ 30,613	$ (29,648)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 36,627		
UNENCUMBERED CASH - BEGINNING	15,532		
UNENCUMBERED CASH - ENDING	$ 52,159		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
PARENT EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 19,500	$ 19,800	$ (300)
EXPENDITURES			
Student support services	$ 19,500	$ 21,300	$ (1,800)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	1,500		
UNENCUMBERED CASH - ENDING	$ 1,500		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 93,484	$ 97,357	$ (3,873)
EXPENDITURES			
Instruction	$ 78,584	$ 97,607	$ (19,023)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 14,900		
UNENCUMBERED CASH - BEGINNING	100		
UNENCUMBERED CASH - ENDING	$ 15,000		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SUMMER SCHOOL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 4,662	$ -	$ 4,662
EXPENDITURES			
Instruction	$ 1,612	$ 2,131	$ (519)
Operations and maintenance	181	-	181
Total Expenditures	$ 1,793	$ 2,131	$ (338)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 2,869		
UNENCUMBERED CASH - BEGINNING	2,131		
UNENCUMBERED CASH - ENDING	$ 5,000		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SPECIAL EDUCATION COOPERATIVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local - Coop	$ 4,138,455	$ 4,287,390	$ (148,935)
Local - Other	106,270	6,000	100,270
Federal grants	1,255,683	1,197,610	58,073
Total Receipts	$ 5,500,408	$ 5,491,000	$ 9,408
EXPENDITURES			
Instruction	$ 4,700,571	$ 4,635,843	$ 64,728
Student support services	369,328	300,000	69,328
General administration	336,836	343,998	(7,162)
Operations and maintenance	46,657	30,541	16,116
Student transportation services	15,971	20,000	(4,029)
Central support services	66,356	1,775,693	(1,709,337)
Total Expenditures	$ 5,535,719	$ 7,106,075	$ (1,570,356)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (35,311)		
UNENCUMBERED CASH - BEGINNING	1,613,623		
UNENCUMBERED CASH - ENDING	$ 1,578,312		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid/grants	$ 1,635,312	$ 1,813,566	$ (178,254)
EXPENDITURES			
Instruction	$ 1,340,956	$ 1,487,124	$ (146,168)
Student support services	32,706	36,271	(3,565)
Instructional support staff	32,706	36,271	(3,565)
General administration	49,059	54,407	(5,348)
School administration	65,413	72,543	(7,130)
Operations and maintenance	32,707	54,407	(21,700)
Student transportation services	49,059	36,271	12,788
Central support services	16,353	18,136	(1,783)
Other support services	16,353	18,136	(1,783)
Total Expenditures	$ 1,635,312	$ 1,813,566	$ (178,254)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
AT RISK FUND (K-12)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 1,632,726	$ 1,632,726	$ -
EXPENDITURES			
Instruction	$ 1,632,579	$ 1,631,262	$ 1,317
Student transportation services	147	1,464	(1,317)
Total Expenditures	$ 1,632,726	$ 1,632,726	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
AT-RISK FUND (4 YEAR OLDS)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local sources			
Other	$ 170	$ 2,169	$ (1,999)
Operating transfers	215,217	254,651	(39,434)
Total Receipts	$ 215,387	$ 256,820	$ (41,433)
EXPENDITURES			
Instruction	$ 203,455	$ 256,862	$ (53,407)
Student transportation services	11,974	-	11,974
Total Expenditures	$ 215,429	$ 256,862	$ (41,433)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (42)		
UNENCUMBERED CASH - BEGINNING	42		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 21,485	$ 88,109	$ (66,624)
EXPENDITURES			
Instruction	$ 21,485	$ 88,109	$ (66,624)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
VIRTUAL EDUCATION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local - other	$ -	$ 107,292	$ (107,292)
Operating transfers	132,727	32,756	99,971
Total Receipts	$ 132,727	$ 140,048	$ (7,321)
EXPENDITURES			
Instruction	$ 13,705	$ 14,922	$ (1,217)
Student support services	17,500	-	17,500
School administration	91,830	98,300	(6,470)
Operations and maintenance	9,692	26,826	(17,134)
Total Expenditures	$ 132,727	$ 140,048	$ (7,321)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
NONBUDGETED FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2022

	Textbook	Contingency Reserve	Title I	Title IVA Drug Free	Title VIB	Mini-Grants	ACE Grant Program
CASH RECEIPTS							
Federal grants	$ -	$ -	$ 182,747	$ 17,901	$ 26,810	$ -	$ 36,864
Local sources - other	43,277	-	-	-	-	-	-
Transfers in	64,982	-	17,901	-	-	-	-
Total Receipts	$ 108,259	$ -	$ 200,648	$ 17,901	$ 26,810	$ -	$ 36,864
EXPENDITURES							
Instruction	$ 84,128	$ -	$ 189,757	$ -	$ 22,761	$ -	$ -
Student support services	-	-	-	-	-	-	43,875
Instructional support staff	17,251	-	10,891	-	-	-	-
General administration	-	-	-	-	5,578	-	-
School administration	-	-	-	-	-	-	216
Transfers out	-	-	-	17,901	-	-	-
Total Expenditures	$ 101,379	$ -	$ 200,648	$ 17,901	$ 28,339	$ -	$ 44,091
RECEIPTS OVER (UNDER) EXPENDITURES	$ 6,880	$ -	$ -	$ -	$ (1,529)	$ -	$ (7,227)
UNENCUMBERED CASH - BEGINNING	260,175	882,000	-	-	(873)	81	235
UNENCUMBERED CASH - ENDING	$ 267,055	$ 882,000	$ -	$ -	$ (2,402)	$ 81	$ (6,992)

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
NONBUDGETED FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2021

	Title IIA	JCCTCC Grant	Carl Perkins Grant	ESSER - CARES
CASH RECEIPTS				
Federal grants	$ 40,319	$ -	$ 5,599	$ 391,796
Local sources - other	-	1,832	-	-
Operating transfers	-	-	-	-
Total Receipts	$ 40,319	$ 1,832	$ 5,599	$ 391,796
EXPENDITURES				
Instruction	$ 40,319	$ 1,141	$ 5,865	$ 1,089,540
Student support services	-	-	-	-
Instructional support staff	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Total Expenditures	$ 40,319	$ 1,141	$ 5,865	$ 1,089,540
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ 691	$ (266)	$ (697,744)
UNENCUMBERED CASH - BEGINNING	-	1,117	-	(72,499)
UNENCUMBERED CASH - ENDING	$ -	$ 1,808	$ (266)	$ (770,243)

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2022

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	$ 784,400	$ 752,423	$ 31,977
Delinquent tax	8,147	7,668	479
Motor vehicle tax	99,481	90,916	8,565
State aid/grants	835,535	893,393	(57,858)
Total Receipts	$ 1,727,563	$ 1,744,400	$ (16,837)
EXPENDITURES			
Debt service	$ 1,418,967	$ 1,514,225	$ (95,258)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 308,596		
UNENCUMBERED CASH - BEGINNING	2,105,038		
UNENCUMBERED CASH - ENDING	$ 2,413,634		

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
CAPITAL PROJECTS FUND - ELEMENTARY BOND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2022

CASH RECEIPTS		
Local sources - other	$	5,014
Miscellaneous		52
Total Receipts	$	5,066
EXPENDITURES		
Instruction	$	6,571
Facility acquisition and construction		37,244
Total Expenditures	$	43,815
RECEIPTS OVER (UNDER) EXPENDITURES	$	(38,749)
UNENCUMBERED CASH - BEGINNING		193,285
UNENCUMBERED CASH - ENDING	$	154,536

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2022

	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
High School				
Art	$ 1,613	$ 1,395	$ 965	$ 2,043
Band	2,614	30,352	30,658	2,308
Constitution Club	27	-	-	27
Drama	4,903	939	1,651	4,191
FFA	4,789	21,885	26,616	58
FFA Grants	1,200	576	500	1,276
FCCLA Club	3,206	4,406	7,047	565
FACS Fees	5,410	1,820	3,439	3,791
Kay Club	471	286	164	593
KLASS	764	176	433	507
National Honor Society	317	45	-	362
Spirit Club	7,887	21,406	21,684	7,609
Petty Cash	-	2,400	2,400	-
Textbooks	-	11,339	11,339	-
Student Council	2,863	28,609	27,313	4,159
Vocal Music	5,736	5,924	3,316	8,344
Vocational Agriculture	794	580	256	1,118
Summer Weights	-	2,168	2,168	-
Class of 2010	96	-	-	96
Class of 2011	682	-	-	682
Class of 2015	120	-	-	120
Class of 2016	113	-	-	113
Class of 2018	1,728	-	-	1,728
Class of 2020	1,046	-	-	1,046
Class of 2021	388	-	-	388
Class of 2022	898	130	255	773
Class of 2023	4,060	910	3,741	1,229
Class of 2024	1,750	1,850	-	3,600
Class of 2025	-	2,540	300	2,240
Dan Fiedler Memorial	-	50	-	50
Lettercats	-	-	-	-
FBLA Club	1,910	-	-	1,910
Spanish Club	407	-	-	407
Middle School				
Student Council	574	1,914	1,152	1,336
Technology	3,755	1,479	1,665	3,569
Kays	29,441	3,529	9,535	23,435
Music	1,140	7,097	5,520	2,717
Cookie Dough	3,284	34,110	33,712	3,682
S.A.F.E.	556	468	539	485
Art	2,623	4,071	6,300	394
Total	$ 97,165	$ 192,454	$ 202,668	$ 86,951

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Ending Cash Balance
Gate Receipts					
Middle School					
Athletics	$ 249	$ 17,774	$ 16,095	$ 1,928	$ 1,928
Volleyball	150	-	-	150	150
Concessions	2,445	3,215	3,568	2,092	2,092
High School					
Athletics	837	88,925	87,804	1,958	1,958
Boys Basketball	-	10,578	7,093	3,485	3,485
Girls Basketball	388	-	-	388	388
Track Club	567	7,697	77	8,187	8,187
Volleyball	272	6,881	3,717	3,436	3,436
Wrestling	59	-	-	59	59
Cross Country	1,942	245	9	2,178	2,178
Softball	416	2,960	2,359	1,017	1,017
Subtotal Gate Receipts	$ 7,325	$ 138,275	$ 120,722	$ 24,878	$ 24,878
School Projects					
Holton Elementary					
General	$ 2,398	$ 26,660	$ 18,676	$ 10,382	$ 10,382
Petty Cash	-	620	620	-	-
PBIS	1,729	4,224	4,224	1,729	1,729
Owls Garden Fund	1,365	110	110	1,365	1,365
Optimist Donation	-	-	-	-	-
Book Fair	1,274	9,138	9,732	680	680
Preschool	-	150	150	-	-
ACE After School	-	-	-	-	-
Textbook	-	7,046	7,046	-	-
Food Service	-	4,536	4,536	-	-
Grants	1,201	1,044	1,630	615	615
Yearbook	1,726	2,086	2,811	1,001	1,001
Fieldtrips	2	675	675	2	2
Middle School					
Faculty	(4)	2,450	1,102	1,344	1,344
Library	1,118	1,518	-	2,636	2,636
School Fund	2,529	3,294	3,082	2,741	2,741
Petty Cash and Sales Tax	-	400	400	-	-
Yearbooks	(50)	514	798	(334)	(334)
Awards	420	1,000	2,014	(594)	(594)
Textbook	-	6,950	6,905	45	45
Food Service	-	16,839	16,839	-	-

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Ending Cash Balance
School Projects (Continued)					
High School					
Concessions	$ 23,645	$ 30,729	$ 36,968	$ 17,406	$ 17,406
Program Ads	34,581	25,290	44,918	14,953	14,953
Drivers Ed Fees	-	8,484	8,484	-	-
Holtonian	2,415	4,591	1,867	5,139	5,139
JCYC	1,138	5,211	5,406	943	943
Football Stadium	40,553	4,500	-	45,053	45,053
Touchdown Club	232	1,000	125	1,107	1,107
Laptop Insurance	16,837	4,188	9,320	11,705	11,705
Lift A Thon	6,507	1,990	2,131	6,366	6,366
PE Grant	1,845	-	102	1,743	1,743
School Fund	31,760	8,512	18,046	22,226	22,226
Wall Picture	2,424	-	-	2,424	2,424
Yearbook	4,255	15,088	9,231	10,112	10,112
Orders/Testing	5,690	5,985	7,233	4,442	4,442
IHT	902	-	-	902	902
Staff Grants	265	-	-	265	265
Character Program	5,320	-	-	5,320	5,320
Patio Pavers	1,791	-	-	1,791	1,791
AG Metal	1,602	9,167	9,565	1,204	1,204
Band Rental Fee	14	1,849	829	1,034	1,034
Band Classroom	2,600	1,090	-	3,690	3,690
Harold Kennedy	1,100	-	-	1,100	1,100
Greenhouse	135	165	-	300	300
Subtotal School Projects	$ 199,319	$ 217,093	$ 235,575	$ 180,837	$ 180,837
Other Agency Funds	$ -	$ 11,425	$ 10,459	$ 966	$ 966
Total District Activity Funds	$ 206,644	$ 366,793	$ 366,756	$ 206,681	$ 206,681

November 8, 2022

Board of Education
Unified School District No. 336
Holton, Kansas

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*

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 Unified School District No. 336 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated November 8, 2022.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) to determine the 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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of control deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the 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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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free of 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 determination of financial statement amounts. 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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

November 8, 2022

Board of Education
Unified School District No. 336
Holton, Kansas

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance In Accordance With The Uniform Guidance

Report on Compliance for Each Major Federal Program

We have audited the compliance of Unified School District No. 336 (the District), with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* 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, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

	Assistance Number	Pass-Thru Entity Identifying Number	Federal Award Expenditures	Subrecipient Expenditures
U.S. Department of Agriculture				
Passed through Kansas Department of Education				
Child Nutrition Cluster				
School Breakfast	10.553	D0336	$ 223,258	$ -
COVID-19 - National School Lunch Program	10.555	D0336	474,739	-
Summer Food Service Program for Children	10.559	D0336	108,473	-
Cash for Commodities	10.559	D0336	34,888	-
Subtotal Child Nutrition Cluster			$ 841,358	$ -
COVID-19 Coronavirus	10.649	D0336	$ 614	$ -
Total U.S. Department of Agriculture			$ 841,972	$ -
U.S. Department of Education				
Passed through Kansas Department of Education				
Special Education (IDEA) Cluster				
Special Education Grants to States	84.027A	D0336	$ 826,770	$ -
Special Education Preschool Grants	84.173A	D0336	34,094	-
Total Special Education (IDEA) Cluster			$ 860,864	$ -
Passed through Kansas Department of Education				
Title I Low Income	84.010	D0336	$ 182,747	$ -
EHC Flo-Thru	84.048	D0336	1,300	-
Early Childhood Aid	84.367	D0336	40,319	-
Supporting Effective Instruction	84.424A	D0336	17,901	-
COVID-19 - Emergency and Secondary School Emergency Relief	84.425D	D0336	1,089,540	-
Total U.S. Department of Education			$ 2,192,671	$ -
U.S. Department of Health and Human Services				
Passed through Kansas Department of Education				
COVID-19 - KDHE K-12 COVID Testing Grant	93.323	D0336	$ 44,091	$ -
TOTAL FEDERAL ASSISTANCE			$ 3,078,734	$ -

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2022

Note 1: Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Unified School District No. 336 Holton, Kansas and is presented on the statutory basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statement. The District elected not to use the 10% de minimis indirect cost rate.

Note 3: Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

Note 4: Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position at June 30, 2022.

Note 5: Outstanding Loans

The District did not have any outstanding loans under any federal grants at June 30, 2022.

Note 6: Sub-recipient Grants

No federal awards were passed through to subrecipients

UNIFIED SCHOOL DISTRICT NO. 336
Holton, Kansas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	___ Yes	X None
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	X None reported
Noncompliance material to financial statements noted?	___ Yes	X None

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	___ Yes	X No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	X None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)	___ Yes	X No

Identification of major programs:

Name of Federal Program	CFDA Number
Special Education (IDEA) Cluster	84.027A and 84.173A
COVID-19 - Elementary and Secondary School Emergency Relief	84.425D

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

NOTE: Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status changed by the U.S. Office of Management and Budget (OMB). Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

Section II - Financial Statement Findings

No matters were reported

Section III - Federal Award Findings and Questioned Costs

No matters were reported