HALSTEAD-BENTLEY
UNIFIED SCHOOL DISTRICT NO. 440

HALSTEAD, KANSAS

Financial Statement

For the Year Ended June 30, 2025

Halstead-Bentley
Unified School District No. 440

For the Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Halstead-Bentley Unified School District No. 440
Halstead, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Halstead-Bentley Unified School District No. 440, Halstead, Kansas, (District), as of and for the year ended June 30, 2025, and the related disclosures 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, 2025, 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, 2025, 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), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

- exercise professional 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 2025 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, summary of regulatory basis receipts and disbursements-agency funds, and schedule of regulatory basis receipts, expenditures and unencumbered cash-District activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2025 basic financial statement, but 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 2025 basic financial statement. The 2025 information has been subjected to the auditing procedures applied in the audit of the 2025 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 2025 basic financial statement or to the 2025 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 2025 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2024 (not presented herein), and have issued our report thereon dated October 9, 2024, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2025 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2025 basic financial statement. Such 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 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 2024 basic financial statement or to the 2024 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 2024 comparative information is fairly stated, in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2024, 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 of the District. The accompanying 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 statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2025, 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.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 4, 2025

Halstead-Bentley Unified School District No. 440

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

For the Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General	$ -	7,577,341	7,577,341	-	311,402	311,402
Supplemental General	77,187	2,462,421	2,448,106	91,502	-	91,502
Special Purpose Funds						
At Risk (K-12)	465,287	941,872	923,969	483,190	88,683	571,873
At Risk (4 year old)	-	90,249	90,249	-	4,377	4,377
Bilingual Education	4,724	5,386	3,173	6,937	-	6,937
Virtual Education	-	16,200	16,200	-	-	-
Capital Outlay	3,116,526	1,385,693	864,395	3,637,824	-	3,637,824
Driver Training	30,925	12,500	7,457	35,968	-	35,968
Food Service	122,852	522,540	524,075	121,317	20,011	141,328
Professional Development	29,147	36,921	14,178	51,890	4	51,894
Parent Education	-	10,820	9,900	920	-	920
Special Education	696,872	1,452,672	1,452,671	696,873	580	697,453
Career and Postsecondary Education	110,099	537,545	537,245	110,399	60,487	170,886
Gifts and Grants	2,433	23,335	25,499	269	5,443	5,712
KPERS Special Retirement Contribution	-	685,918	685,918	-	-	-
Contingency Reserve	824,977	124,388	-	949,365	-	949,365
Student Material Revolving	37,114	78,499	19,820	95,793	-	95,793
After School Program	28,643	56,476	58,434	26,685	6	26,691
Little Dragon Preschool	11,055	92,949	104,004	-	3,671	3,671
Back to School Backpacks	2,750	2,477	2,750	2,477	-	2,477
Federal and State Government Programs						
Improving Basic Programs Operated by Local Educational Agencies (Title I)	-	151,167	151,167	-	28,263	28,263
Supporting Effective Instruction Program (Title II)	-	12,652	12,652	-	-	-
Student Support Academic Enrichment Program (Title IV)	-	12,786	12,786	-	-	-
Elementary and Secondary School				-	-	-
Emergency Relief ARP ESSER III	(254)	269,967	269,713	-	-	-
Capital Project Fund						
2024 Bond Project	-	31,312,023	6,630,347	24,681,676	-	24,681,676
Bond and Interest Fund						
Bond and Interest	2,025,098	2,020,502	1,789,291	2,256,309	-	2,256,309
District Activity Funds						
Activity Gate Receipts	54,148	236,699	229,688	61,159	-	61,159
School Projects	19,260	38,659	28,740	29,179	-	29,179
Total Reporting Entity (Excluding Agency Funds)	$ 7,658,843	50,170,657	24,489,768	33,339,732	522,927	33,862,659

Composition of Cash	
Checking	
District	$ 9,188,865
Petty Cash	1,500
Debit Card	3,500
Activity Funds	
Elementary School	13,208
Middle School	54,184
High School	92,637
Certificate of Deposit	
Activity Funds - High School	6,522
Total Cash	9,360,416
Investments	
Security Bank of Kansas City	24,578,456
Less Agency Funds (Schedule 3)	76,213
Total Reporting Entity (excluding Agency Funds)	$ 33,862,659

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Halstead-Bentley Unified School District No. 440, Halstead, Kansas, is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Halstead-Bentley Unified School District No. 440 (District), a municipality.

Regulatory Basis Fund Types

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

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

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

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Agency Fund – used to report assets held by the District in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Activity Fund – under provisions of K.S.A. 72-1178, the Board of Education adopted a resolution relating to the school activity funds which results in the activity funds being accounted for under policies and procedures of the Board.

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

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

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

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Funds, Special Purpose Funds (unless specifically exempted by statute), and the Bond and Interest Fund. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

A legal operating budget is not required for Capital Project, Agency and Activity Funds or the following Special Purpose Funds: Contingency Reserve, Student Material Revolving, After School Program, Little Dragon Preschool, Back to School Backpacks, and Federal and State Government Programs.

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.

Reimbursements

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Management is not aware of any statutory violations incurred during the year ended June 30, 2025.

3. DEPOSITS AND INVESTMENTS

As of June 30, 2025, the District had the following investments and maturities:

		Investment Maturities (in Years)		
Investment Type	Cost	Less than 1	1-2	Rating U.S.
Treasury Notes	$ 14,795,768	13,209,858	1,585,910	N.A.
Federal Home Loan Banks	2,822,630	2,822,630	-	N.A.
Money Market Funds	6,960,058	6,960,058	-	N.A.
Total	$ 24,578,456	22,992,546	1,585,910	

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

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The rating of the District's investments 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 as of June 30, 2025, is as follows:

Investments	Percentage of Investments
Treasury Notes	58%
Federal Home Loan Banks	12%
Money Market Funds	30%

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2025.

At June 30, 2025, the District's carrying amount of deposits was $9,360,416 and the bank balance was $9,522,853. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $256,161 was covered by federal depository insurance, $9,266,692 was collateralized with securities held by the pledging financial institution's agents in the District's name.

Custodial Credit Risk – Investments

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

4. OPERATING LEASES

During the current fiscal year, the District entered into a new operating lease agreement for copiers for a period up to 63 months. Payments totaling $37,578, including overages, were made during the year ended June 30, 2025. Under the current lease agreement, the future scheduled minimum payments are as follows:

2026	$ 44,747
2027	44,747
2028	44,747
2029	44,747
2030	26,102

5. CAPITAL PROJECT

Capital project authorization with approved change orders compared with expenditures from inception is as follows:

	Project Authorization	Expenditures To Date
Building and Facility Improvements	$ 28,500,000	6,630,347

6. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2025, were as 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
General Obligation Bonds									
Series 2020, Refunding	1.0-3.0%	07/07/20	$ 6,010,000	08/01/27	$ 3,515,000	-	860,000	2,655,000	46,584
Series 2024	5.0%	07/18/25	28,500,000	09/01/49	-	28,500,000	-	28,500,000	882,707
					3,515,000	28,500,000	860,000	31,155,000	929,291
Finance Leases									
Energy equipment	3.897%	07/15/11	1,321,062	07/30/25	214,810	-	105,352	109,458	8,371
Computer equipment	0%	07/01/23	446,120	07/20/26	347,128	-	115,709	231,419	-
					561,938	-	221,061	340,877	8,371
Total contractual indebtedness					$ 4,076,938	28,500,000	1,081,061	31,495,877	937,662

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

	Year ended June 30									
	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046-2050	Total
Principal										
General Obligation Bonds	$ 870,000	1,165,000	1,230,000	380,000	435,000	3,125,000	5,080,000	7,700,000	11,170,000	31,155,000
Finance Leases	225,167	115,710	-	-	-	-	-	-	-	340,877
Total principal	1,095,167	1,280,710	1,230,000	380,000	435,000	3,125,000	5,080,000	7,700,000	11,170,000	31,495,877
Interest										
General Obligation Bonds	1,458,522	1,438,272	1,409,545	1,708,366	1,364,625	6,411,875	5,397,500	3,815,500	1,475,750	24,479,955
Finance Leases	4,266	-	-	-	-	-	-	-	-	4,266
Total interest	1,462,788	1,438,272	1,409,545	1,708,366	1,364,625	6,411,875	5,397,500	3,815,500	1,475,750	24,484,221
Total principal and interest	$ 2,557,955	2,718,982	2,639,545	2,088,366	1,799,625	9,536,875	10,477,500	11,515,500	12,645,750	55,980,098

7. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	At Risk (K-12)	K.S.A. 72-5167	$ 714,198
General	At Risk (4 year old)	K.S.A. 72-5167	90,249
General	Virtual Education	K.S.A. 72-5167	16,200
General	Food Service	K.S.A. 72-5167	67,855
General	Professional Development	K.S.A. 72-5167	35,000
General	Parent Education	K.S.A. 72-5167	10,820
General	Special Education	K.S.A. 72-5167	859,865
General	Career and Postsecondary Education	K.S.A. 72-5167	250,747
General	Contingency Reserve	K.S.A. 72-5167	124,388
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	227,674
Supplemental General	Bilingual Education	K.S.A. 72-5143	5,386
Supplemental General	Special Education	K.S.A. 72-5143	546,371
Supplemental General	Career and Postsecondary Education	K.S.A. 72-5143	271,965
Supplemental General	Student Material	K.S.A. 72-6478	37,000

8. OTHER LONG TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of the applicable premium.

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

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2025.

Compensated Absences

The District's personnel policies grant compensated absences in the form of vacation and sick days for each school year. Classified full-time employees earn ten days of paid vacation upon completion of one year of employment. From two through ten years of service, eleven days of paid vacation is earned. After ten years of service, classified employees earn sixteen days of paid vacation per year. Vacation days are not cumulative. Unused vacation time is paid to employees upon termination. Certified employees earn no vacation.

8. OTHER LONG TERM OBLIGATIONS FROM OPERATIONS (Continued)

Current employees who work 30 hours or more per week earn sick days at the rate of one (1) day per month of contract, rounded to the nearest month. All employees who work less than 30 hours per week will received five (5) days of sick leave per year. Employees can accumulate up to ninety (90) days of sick leave. Unused sick leave is not paid to employees upon termination. The District's liability for compensated absences at June 30, 2025 has not been recorded in this financial statement.

9. 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kspers.gov or by writing to KPERS (611 S. 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 at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 13.38% and 12.57%, respectively, for the fiscal year ended June 30, 2024. The actuarially determined employer contribution rate and statutory contribution rate was 11.60% and 11.54% for the fiscal year ended June 30, 2025.

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

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

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

9. DEFINED BENEFIT PENSION PLAN (Continued)

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $685,918 for the year ended June 30, 2025.

Net Pension Liability

At June 30, 2025, the District's proportionate share of the collective net pension liability reported by KPERS was $6,348,821. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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, 2024. 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.kspers.gov or can be obtained as described above.

10. RISK MANAGEMENT

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, not all grant expenditures have been audited, but the District believes that disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage during the past fiscal year, and there were no settlements that exceeded insurance coverage for each of the past three years.

During the ordinary course of its operations the District is exposed to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material financial impact on the District.

11. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to June 30, 2025, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through December 4, 2025, which is the date at which the financial statement was available to be issued.

HALSTEAD-BENTLEY
UNIFIED SCHOOL DISTRICT NO. 440

HALSTEAD, KANSAS

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2025

SCHEDULE 1

Halstead-Bentley Unified School District No. 440

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUNDS						
General	$ 7,841,252	(266,211)	2,300	7,577,341	7,577,341	-
Supplemental General	2,534,341	(86,235)	-	2,448,106	2,448,106	-
SPECIAL PURPOSE FUNDS						
At Risk (K-12)	1,105,400	-	-	1,105,400	923,969	(181,431)
At Risk (4 year old)	162,150	-	-	162,150	90,249	(71,901)
Bilingual Education	4,500	-	-	4,500	3,173	(1,327)
Virtual Education	16,800	-	-	16,800	16,200	(600)
Capital Outlay	3,050,000	-	-	3,050,000	864,395	(2,185,605)
Driver Training	32,000	-	-	32,000	7,457	(24,543)
Food Service	614,084	-	-	614,084	524,075	(90,009)
Professional Development	62,000	-	-	62,000	14,178	(47,822)
Parent Education	9,900	-	-	9,900	9,900	-
Special Education	1,484,537	-	-	1,484,537	1,452,671	(31,866)
Career and Postsecondary Education	660,099	-	-	660,099	537,245	(122,854)
Gifts and Grants	26,433	-	-	26,433	25,499	(934)
KPER Special Retirement Contribution	787,170	-	-	787,170	685,918	(101,252)
BOND AND INTEREST FUND	1,789,291	-	-	1,789,291	1,789,291	-

Halstead-Bentley Unified School District No. 440

General Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
GENERAL	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
General state aid	$ 6,490,440	6,715,176	6,952,334	(237,158)
Special education state aid	656,168	859,865	888,918	(29,053)
Reimbursements and other	1,000	2,300	-	2,300
Total receipts	7,147,608	7,577,341	7,841,252	(263,911)
EXPENDITURES				
Instruction	2,715,934	3,006,992	3,057,786	(50,794)
Student support services	104,610	133,726	142,300	(8,574)
Instructional support services	161,648	135,428	175,300	(39,872)
General administration	201,717	209,538	206,932	2,606
School administration	585,546	610,173	612,270	(2,097)
Operations and maintenance	810,065	822,506	910,138	(87,632)
Student transportation services	297,554	282,949	457,500	(174,551)
Other support services	198,685	206,707	215,000	(8,293)
Transfer to				
At Risk (K-12)	710,794	714,198	788,415	(74,217)
At Risk (4 Year Old)	77,917	90,249	102,150	(11,901)
Virtual Education	-	16,200	16,800	(600)
Food Service	2,094	67,855	37,500	30,355
Professional Development	-	35,000	-	35,000
Parent Education	9,900	10,820	9,900	920
Special Education	794,153	859,865	888,918	(29,053)
Career and Postsecondary Education	199,014	250,747	150,000	100,747
Contingency Reserve	277,977	124,388	70,343	54,045
	7,147,608	7,577,341	7,841,252	(263,911)
Adjustment to comply with legal max	-	-	(266,211)	266,211
Legal General Fund budget	7,147,608	7,577,341	7,575,041	2,300
Adjustment for qualifying budget credits	-	-	2,300	(2,300)
Total expenditures	7,147,608	7,577,341	7,577,341	-
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Halstead-Bentley Unified School District No. 440

General Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
SUPPLEMENTAL GENERAL	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
Tax in process	$ 12,989	20,469	9,408	11,061
Current tax	913,622	939,637	992,034	(52,397)
Delinquent tax	9,980	14,705	13,984	721
Vehicle tax	101,256	110,306	121,853	(11,547)
State aid	1,281,076	1,377,304	1,425,820	(48,516)
Total receipts	2,318,923	2,462,421	2,563,099	(100,678)
EXPENDITURES				
Instruction	192,827	119,319	223,380	(104,061)
Student support services	165,038	172,760	184,404	(11,644)
Instructional support staff	12,250	6,415	4,354	2,061
General administration	20,281	4,048	30,000	(25,952)
School administration	46,847	62,154	45,000	17,154
Operations and maintenance	571,707	941,690	701,698	239,992
Architectural and engineering	2,000	-	-	-
Student transportation services	-	19,584	40,000	(20,416)
Other supplemental services	79,391	33,740	-	33,740
Transfer to				
At Risk (K-12)	223,263	227,674	245,831	(18,157)
At Risk (4 year old)	47,040	-	60,000	(60,000)
Bilingual Education	4,342	5,386	4,674	712
Professional Development	-	-	45,000	(45,000)
Special Education	500,000	546,371	550,000	(3,629)
Career and Postsecondary Education	420,201	271,965	400,000	(128,035)
Student Material	-	37,000	-	37,000
	2,285,187	2,448,106	2,534,341	(86,235)
Adjustment to comply with legal max	-	-	(86,235)	86,235
Total expenditures	2,285,187	2,448,106	2,448,106	-
Receipts over (under) expenditures	33,736	14,315		
UNENCUMBERED CASH, beginning	43,451	77,187		
UNENCUMBERED CASH, ending	$ 77,187	91,502		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
AT RISK (K-12)				
RECEIPTS				
Transfer from				
General	$ 710,794	714,198	788,415	(74,217)
Supplemental General	223,263	227,674	245,831	(18,157)
Total receipts	934,057	941,872	1,034,246	(92,374)
EXPENDITURES				
Instruction	790,846	787,205	1,057,000	(269,795)
Student support services	132,326	116,081	48,400	67,681
Instruction support staff	13,988	20,683	-	20,683
Total expenditures	937,160	923,969	1,105,400	(181,431)
Receipts over (under) expenditures	(3,103)	17,903		
UNENCUMBERED CASH, beginning	468,390	465,287		
UNENCUMBERED CASH, ending	$ 465,287	483,190		
AT RISK (4 YEAR OLD)				
RECEIPTS				
Transfer from				
General	$ 77,917	90,249	102,150	(11,901)
Supplemental General	47,040	-	60,000	(60,000)
Total receipts	124,957	90,249	162,150	(71,901)
EXPENDITURES				
Salaries and benefits	124,957	90,249	162,150	(71,901)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
BILINGUAL EDUCATION				
RECEIPTS				
Transfer from Supplemental General	$ 4,342	5,386	4,674	712
EXPENDITURES				
Instruction	260	3,173	4,500	(1,327)
Receipts over (under) expenditures	4,082	2,213		
UNENCUMBERED CASH, beginning	642	4,724		
UNENCUMBERED CASH, ending	$ 4,724	6,937		
VIRTUAL EDUCATION				
RECEIPTS				
Transfer from General	$ -	16,200	16,800	(600)
EXPENDITURES				
Instruction	-	16,200	16,800	(600)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
CAPITAL OUTLAY				
RECEIPTS				
Tax in process	$ 5,216	6,782	3,420	3,362
Current tax	302,246	281,977	273,779	8,198
Delinquent tax	4,255	5,442	4,630	812
Vehicle tax	44,615	41,566	46,081	(4,515)
Interest	398,782	374,298	-	374,298
Grants and other	151,447	497,172	-	497,172
State aid	182,732	178,456	178,552	(96)
Total receipts	1,089,293	1,385,693	506,462	879,231
EXPENDITURES				
Instruction	14,696	20,108	-	20,108
School administration	8,316	837	-	837
Student transportation	2,156	1,052	650,000	(648,948)
Operations and maintenance	667,467	842,398	1,100,000	(257,602)
Site improvement	-	-	1,300,000	(1,300,000)
Total expenditures	692,635	864,395	3,050,000	(2,185,605)
Receipts over (under) expenditures	396,658	521,298		
UNENCUMBERED CASH, beginning	2,719,868	3,116,526		
UNENCUMBERED CASH, ending	$ 3,116,526	3,637,824		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
DRIVER TRAINING				
RECEIPTS				
State aid	$ 7,950	7,250	6,075	1,175
Other	4,930	5,250	-	5,250
Total receipts	12,880	12,500	6,075	6,425
EXPENDITURES				
Salaries and benefits	9,235	6,944	12,000	(5,056)
Equipment and furnishings	-	513	20,000	(19,487)
Total expenditures	9,235	7,457	32,000	(24,543)
Receipts over (under) expenditures	3,645	5,043		
UNENCUMBERED CASH, beginning	27,280	30,925		
UNENCUMBERED CASH, ending	$ 30,925	35,968		
FOOD SERVICE				
RECEIPTS				
Lunch and breakfast sales	$ 143,032	142,630	144,989	(2,359)
Federal aid	333,270	297,480	305,967	(8,487)
State aid	3,675	3,517	2,776	741
Other	1,458	11,058	-	11,058
Transfer from General	2,094	67,855	37,500	30,355
Total receipts	483,529	522,540	491,232	31,308
EXPENDITURES				
Salaries and benefits	239,678	265,287	288,500	(23,213)
Food and supplies	267,032	258,705	295,000	(36,295)
Equipment	7,115	83	30,584	(30,501)
Total expenditures	513,825	524,075	614,084	(90,009)
Receipts over (under) expenditures	(30,296)	(1,535)		
UNENCUMBERED CASH, beginning	153,148	122,852		
UNENCUMBERED CASH, ending	$ 122,852	121,317		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
PROFESSIONAL DEVELOPMENT				
RECEIPTS				
Professional development	$ -	140	-	140
State aid	3,490	1,781	900	881
Transfer from				
General	-	35,000	-	35,000
Supplemental General	-	-	45,000	(45,000)
Total receipts	3,490	36,921	45,900	(8,979)
EXPENDITURES				
Salaries and benefits	9,550	3,900	12,000	(8,100)
Purchased services and other	19,744	10,278	50,000	(39,722)
Total expenditures	29,294	14,178	62,000	(47,822)
Receipts over (under) expenditures	(25,804)	22,743		
UNENCUMBERED CASH, beginning	54,951	29,147		
UNENCUMBERED CASH, ending	$ 29,147	51,890		
PARENT EDUCATION				
RECEIPTS				
Transfer from General	$ 9,900	10,820	9,900	920
EXPENDITURES				
Purchased services and other	9,900	9,900	9,900	-
Receipts over (under) expenditures	-	920		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	920		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL EDUCATION				
RECEIPTS				
Other	$ 35,545	46,436	-	46,436
Transfer from				
General	794,153	859,865	888,918	(29,053)
Supplemental General	500,000	546,371	550,000	(3,629)
Total receipts	1,329,698	1,452,672	1,438,918	13,754
EXPENDITURES				
Salaries and benefits	80,030	86,318	96,150	(9,832)
Purchased services	3,097	1,100	-	1,100
Supplies and other	10,074	17,040	12,500	4,540
Transportation	-	153,069	170,000	(16,931)
Tuition	1,096,582	1,195,144	1,205,887	(10,743)
Total expenditures	1,189,783	1,452,671	1,484,537	(31,866)
Receipts over (under) expenditures	139,915	1		
UNENCUMBERED CASH, beginning	556,957	696,872		
UNENCUMBERED CASH, ending	$ 696,872	696,873		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
CAREER AND POSTSECONDARY EDUCATION				
RECEIPTS				
Federal aid	$ 2,000	-	-	-
CTE transportation state aid	10,099	12,984	-	12,984
Other	3,742	1,849	-	1,849
Transfer from				
General	199,014	250,747	150,000	100,747
Supplemental General	420,201	271,965	400,000	(128,035)
Total receipts	635,056	537,545	550,000	(12,455)
EXPENDITURES				
Salaries and benefits	499,691	521,630	526,000	(4,370)
Purchased services and supplies	21,190	15,440	68,540	(53,100)
Property	4,076	175	65,559	(65,384)
Total expenditures	524,957	537,245	660,099	(122,854)
Receipts over (under) expenditures	110,099	300		
UNENCUMBERED CASH, beginning	-	110,099		
UNENCUMBERED CASH, ending	$ 110,099	110,399		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
GIFTS AND GRANTS				
RECEIPTS				
Pre-K Pilot Grant (CIF)	$ 11,655	11,655	12,000	(345)
Pre-K Pilot Grant (TANF)	11,655	11,655	12,000	(345)
Transfer from General	-	-	-	-
Contributions and other	2,037	25	-	25
Total receipts	25,347	23,335	24,000	(665)
EXPENDITURES				
Instruction	23,310	25,499	26,433	(934)
Receipts over (under) expenditures	2,037	(2,164)		
UNENCUMBERED CASH, beginning	396	2,433		
UNENCUMBERED CASH, ending	$ 2,433	269		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
KPERS SPECIAL RETIREMENT CONTRIBUTION				
RECEIPTS				
State aid	$ 732,251	685,918	787,170	(101,252)
EXPENDITURES				
Instruction	599,136	475,072	650,345	(175,273)
Employee benefits	5,747	35,068	-	35,068
Instructional support	15,775	20,485	18,000	2,485
General administration	16,893	25,116	22,000	3,116
School administration	43,080	63,973	45,000	18,973
Central services	4,644	-	4,800	(4,800)
Operations & maintenance	34,096	48,014	35,000	13,014
Student transportation services	12,880	18,190	12,025	6,165
Total expenditures	732,251	685,918	787,170	(101,252)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024	2025
CONTINGENCY RESERVE		
RECEIPTS		
Transfer from General	$ 277,977	124,388
EXPENDITURES	-	-
Receipts over (under) expenditures	277,977	124,388
UNENCUMBERED CASH, beginning	547,000	824,977
UNENCUMBERED CASH, ending	$ 824,977	949,365
STUDENT MATERIAL REVOLVING		
RECEIPTS		
Fees	$ 32,687	41,499
Transfer from Supplemental General	-	37,000
Total receipts	32,687	78,499
EXPENDITURES		
Textbooks	99,373	10,757
Other	7,739	7,790
Materials and supplies	-	1,273
Total expenditures	107,112	19,820
Receipts over (under) expenditures	(74,425)	58,679
UNENCUMBERED CASH, beginning	111,539	37,114
UNENCUMBERED CASH, ending	$ 37,114	95,793

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024	2025
AFTER SCHOOL PROGRAM		
RECEIPTS		
Other	$ 56,955	56,476
EXPENDITURES		
Salaries and benefits	59,312	56,147
Miscellaneous	-	2,287
Total expenditures	59,312	58,434
Receipts over (under) expenditures	(2,357)	(1,958)
UNENCUMBERED CASH, beginning	31,000	28,643
UNENCUMBERED CASH, ending	$ 28,643	26,685
LITTLE DRAGON PRESCHOOL		
RECEIPTS		
Tuition	$ 61,225	92,949
EXPENDITURES		
Salaries and benefits	58,690	103,379
Other	357	625
Total expenditures	59,047	104,004
Receipts over (under) expenditures	2,178	(11,055)
UNENCUMBERED CASH, beginning	8,877	11,055
UNENCUMBERED CASH, ending	$ 11,055	-
BACK TO SCHOOL BACKPACKS		
RECEIPTS		
Donations	$ 4,298	2,477
EXPENDITURES		
Supplies and other	3,923	2,750
Receipts over (under) expenditures	375	(273)
UNENCUMBERED CASH, beginning	2,375	2,750
UNENCUMBERED CASH, ending	$ 2,750	2,477

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024	2025
FEDERAL AND STATE GOVERNMENT PROGRAMS IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES (TITLE I)		
RECEIPTS		
Federal aid	$ 136,956	151,167
Reallocation of grant proceeds	-	-
Total receipts	136,956	151,167
EXPENDITURES		
Salaries and benefits	135,721	142,383
Supplies and other	1,235	8,784
Total expenditures	136,956	151,167
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
SUPPORTING EFFECTIVE INSTRUCTION PROGRAM (TITLE II)		
RECEIPTS		
Federal aid	$ 27,494	12,652
EXPENDITURES		
Salaries and benefits	17,237	5,259
Supplies and other	10,257	2,143
Equipment	-	5,250
Total expenditures	27,494	12,652
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024	2025
FEDERAL AND STATE GOVERNMENT PROGRAMS		
STUDENT SUPPORT ACADEMIC ENRICHMENT PROGRAM (TITLE IV)		
RECEIPTS		
Federal aid	$ 16,617	12,786
EXPENDITURES		
Salaries and benefits	6,000	-
Supplies and other	10,617	12,786
Total expenditures	16,617	12,786
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
EPA CLEAN SCHOOL BUS PROGRAM		
RECEIPTS		
Federal aid	$ 1,181,946	-
EXPENDITURES	-	-
Receipts over (under) expenditures	1,181,946	-
UNENCUMBERED CASH, beginning	(1,220,243)	-
Prior Year Encumbrance	38,297	-
UNENCUMBERED CASH, ending	$ -	-

SCHEDULE 2

Halstead-Bentley Unified School District No. 440

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024	2025
FEDERAL AND STATE GOVERNMENT PROGRAMS		
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ESSER II)		
RECEIPTS		
Federal aid	$ 107,682	-
EXPENDITURES		
Salaries and benefits	13,659	-
Supplies and other	94,023	-
Total expenditures	107,682	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	-
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF (ARP ESSER III)		
RECEIPTS		
Federal aid	$ 525,135	269,967
EXPENDITURES		
Salaries and benefits	501,273	156,846
Supplies and other	20,903	112,867
Total expenditures	522,176	269,713
Receipts over (under) expenditures	2,959	254
UNENCUMBERED CASH, beginning	(3,213)	(254)
UNENCUMBERED CASH, ending	$ (254)	-

Halstead-Bentley Unified School District No. 440

Capital Project Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024	2025
CAPITAL PROJECT		
RECEIPTS		
Bond proceeds	$ -	30,337,361
Interest	-	871,442
Reimbursements and other	-	103,220
Total receipts	-	31,312,023
EXPENDITURES		
Cost of issuance	-	514,429
Architectural services	-	1,012,989
Construction	-	5,102,929
Total expenditures	-	6,630,347
Receipts over (under) expenditures	-	24,681,676
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	24,681,676

Halstead-Bentley Unified School District No. 440

Bond and Interest Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
BOND AND INTEREST				
RECEIPTS				
Tax in process	$ 7,415	11,094	5,202	5,892
Current tax	495,158	1,324,927	1,287,078	37,849
Delinquent tax	5,785	8,312	7,581	731
Vehicle tax	60,333	61,841	68,394	(6,553)
State aid	524,584	614,328	614,329	(1)
Total receipts	1,093,275	2,020,502	1,982,584	37,918
EXPENDITURES				
Principal	845,000	860,000	860,000	-
Interest	59,454	929,291	929,291	-
Total expenditures	904,454	1,789,291	1,789,291	-
Receipts over (under) expenditures	188,821	231,211		
UNENCUMBERED CASH, beginning	1,836,277	2,025,098		
UNENCUMBERED CASH, ending	$ 2,025,098	2,256,309		

SCHEDULE 3

Halstead-Bentley Unified School District No. 440

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2025

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
STUDENT ORGANIZATIONS				
High School				
Art	$ 1,592	-	-	1,592
Cheer	4,081	8,099	11,626	554
Class of 2024	627	-	627	-
Class of 2025	1,303	-	1,264	39
Class of 2026	759	4,842	4,478	1,123
Class of 2027	50	998	156	892
Color Guard	7	-	-	7
Dance	6,234	7,713	10,109	3,838
Dragon Corps	-	-	-	-
Dragon Woods	3,143	1,445	2,296	2,292
Drivers Education	-	5,250	5,250	-
Enrollment	-	50	50	-
Faculty	203	-	108	95
FBLA	9,602	16,506	17,582	8,526
FCA	995	97	-	1,092
In & Out	28	2,009	2,013	24
Kay	3,184	5,136	3,879	4,441
Library	1,016	-	-	1,016
Marching	151	599	528	222
National Honor Society	6	-	-	6
Petty Cash	2	1,817	1,819	-
Printshop	2,576	1,028	795	2,809
Scholarships	477	1,072	1,082	467
Spanish	666	-	-	666
Stand	170	-	-	170
Stuco	7,360	9,427	9,873	6,914
Stuco CD	1,449	-	-	1,449
Student Support	1,467	647	376	1,738
The Lair	5,418	321	321	5,418
Vocal/Tri-M	7,897	143,476	148,998	2,375
Wood	2,705	435	849	2,291
Total High School	63,168	210,967	224,079	50,056

SCHEDULE 3

Halstead-Bentley Unified School District No. 440

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2025

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
STUDENT ORGANIZATIONS (Continued)				
Middle School	$ 10,242	6,349	3,208	13,383
Grade School	13,072	391	689	12,774
Total Student Organizations	86,482	217,707	227,976	76,213
SALES TAX	602	31,414	32,016	-
Total Agency Funds	$ 87,084	249,121	259,992	76,213

Halstead-Bentley Unified School District No. 440

District Activity Funds

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

For the Year Ended June 30, 2025

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
ACTIVITY GATE RECEIPTS						
High School						
Athletics	$ 26,938	163,748	157,839	32,847	-	32,847
Concessions	4,661	50,672	53,064	2,269	-	2,269
Musicals	4,957	5,774	4,625	6,106	-	6,106
Middle School						
Athletics	14,244	4,707	3,573	15,378	-	15,378
Concessions	3,348	11,798	10,587	4,559	-	4,559
Total Activity Gate Receipts	$ 54,148	236,699	229,688	61,159	-	61,159
SCHOOL PROJECTS						
High School	$ 2,075	14,881	9,075	7,881	-	7,881
Middle School	16,407	23,309	18,852	20,864	-	20,864
Elementary School	778	469	813	434	-	434
Total School Projects	$ 19,260	38,659	28,740	29,179	-	29,179

UNIFIED SCHOOL DISTRICT NO. 440

OTHER SUPPLEMENTARY INFORMATION

SINGLE AUDIT SECTION

FOR THE YEAR ENDED JUNE 30, 2025

Knudsen Monroe & Company LLC

512 N. Main St, Newton, Kansas 67114-2229 316 283-5366 • 316 283-8379 Fax

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

Board of Education
Halstead-Bentley Unified School District No. 440
Halstead, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (financial statement) of Halstead-Bentley Unified School District No. 440, Halstead, Kansas (District), as of and for the year ended June 30, 2025, and the related disclosures to the financial statement, and have issued our report thereon dated October 9, 2024. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Knudsen, Monroe & Company, LLC.

Certified Public Accountants
Newton, Kansas
December 4, 2025

Knudsen Monroe & Company LLC

512 N. Main St, Newton, Kansas 67114-2229 316 283-5366 • 316 283-8379 Fax

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Halstead-Bentley Unified School District No. 440
Halstead, Kansas

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Halstead-Bentley Unified School District No. 440, Halstead, Kansas' (District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2025. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 its major federal program for the year ended June 30, 2025.

Basis for Opinion on the Major Federal Program

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 4, 2025

Halstead-Bentley Unified School District No. 440

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture			
Passed through Kansas Department of Education			
Crop Block Grant	10.170	D0440	$ 35
Local Food For School Cooperative	10.185	D0440	2,561
Child Nutrition Cluster			
School Breakfast Program	10.553	D0440	73,904
National School Lunch Program	10.555	D0440	179,560
Summer Food Service Program for Children	10.559	D0440	56,478
Total Child Nutrition Cluster			309,942
Total U.S. Department of Agriculture			**312,538**
U.S. Department of Education			
Passed through Kansas Department of Education			
Title I Grants to Local Educational Agencies	84.010	D0440	151,167
Supporting Effective Instruction State Grants	84.367	D0440	12,652
Student Support and Academic Enrichment Program	84.424	D0440	12,786
COVID-19 Elementary and Secondary School Emergency Relief Fund - ARP ESSER	84.425U	D0440	269,713
Total U.S. Department of Education			**446,318**
U.S. Department of Health and Human Services			
Passed through Kansas Department of Education			
Temporary Assistance for Needy Families	93.558	D0440	11,655
Total U.S. Department of Health and Human Services			**11,655**
Total Expenditures of Federal Awards			**$ 770,511**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Halstead-Bentley Unified School District No. 440

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Halstead-Bentley Unified School District No. 440, Halstead, Kansas (District) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District. The Schedule is presented using a regulatory basis of accounting prescribed by the *Kansas Municipal Audit and Accounting Guide* (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting described in Note 1 to the District's financial statement. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

C. INDIRECT COST RATE

The District has not elected to use the 15 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Halstead-Bentley Unified School District No. 440

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified (Regulatory Basis) Adverse - GAAP	
Internal control over financial reporting:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	____ Yes	X No
Noncompliance material to financial statement noted?	____ Yes	X No

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	____ Yes	X No
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 2 CFR 200.516(a)?	____ Yes	X No

Identification of major program:

Assistance Listing Number	Name of Federal Program or Cluster
10.553	
10.555	
10.559	Child Nutrition Cluster

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

Section II - Financial Statement Findings

There were no reportable findings.

Section III - Federal Award Findings and Questioned Costs

There were no reportable findings.