Unified School District Number 214

Ulysses, Kansas

FINANCIAL STATEMENT

WITH REGULATORY - REQUIRED SUPPLEMENTARY INFORMATION

and

INDEPENDENT AUDITOR'S REPORT

For the Year Ended June 30, 2023

Dirks, Anthony & Duncan, LLC
Certified Public Accountants
Ulysses, Kansas

Unified School District Number 214
Ulysses, Kansas
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For the Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Superintendent and Board of Education
Unified School District Number 214
Ulysses, Kansas 67880

Adverse and Unmodified Opinions

We have audited the accompanying financial statement of the Unified School District Number 214 which comprise the statement of receipts, expenditures, and unencumbered cash as of June 30, 2023, 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 Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Unified School District Number 214, as of June 30, 2023, or changes in net position, or cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the financial statement referred to above present fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District Number 214, as of June 30, 2023, 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* as 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, 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 Unified School District Number 214, 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 Opinions on U.S. Generally Accepted Accounting Principles
As described in Note 1 of the financial statement, the financial statement is prepared by the Unified School District Number 214, on the basis of the financial reporting provisions of *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 and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are 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 Unified School District Number 214'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 double 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 opinion. 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 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 generally accepted 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 Unified School District Number 214'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 Unified School District Number 214'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, schedule of receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3, and 4, as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide.* Such information is the responsibility of management and was derived from and relates directly to the underlying

accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Unified School District Number 214 as of and for the year ended June 30, 2022 (not presented herein), and have issued our reported thereon dated December 1, 2022, which contained an unmodified opinion on the basic financial statement. The 2022 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: http://admin.ks.gov/offices/oar/municipal-services. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2022 (Schedule 2 as listed in the table of contents) is presented for the purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 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 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 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 2022 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, 2022, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the Unified School District Number 214's basic financial statement. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement themselves, 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 8, 2023, on our consideration of the Unified School District Number 214'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 Unified School District Number 214'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 Unified School District Number 214's internal control over financial reporting and compliance.

Dirks, Anthony & Duncan LLC

DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

December 8, 2023

Unified School District Number 214

Ulysses, Kansas

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Unified School District Number 214
Ulysses, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
For the Year Ended June 30, 2023

Fund	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	$ -	$ 12,383,153	$ 12,383,153	$ -	$ 77,695	$ 77,695
Supplemental General	283,812	3,649,563	3,761,892	171,483	-	171,483
Special Purpose Funds:						
KPERS Special Retirement	-	1,404,183	1,404,183	-	-	-
Adult Education	58,576	60,160	57,805	60,931	91	61,022
Preschool-Aged At-Risk	113,548	120,000	117,715	115,833	-	115,833
At-Risk (K-12)	244,680	3,139,500	2,557,456	826,724	-	826,724
Bilingual Education	143,004	437,182	435,675	144,511	-	144,511
Virtual Education	352,788	120,935	55,364	418,359	-	418,359
Capital Outlay	1,656,931	2,267,738	797,461	3,127,208	350,698	3,477,906
Driver Training	72,217	-	-	72,217	-	72,217
Food Service	428,557	991,986	970,174	450,369	40,500	490,869
Professional Development	39,393	44,750	35,387	48,756	-	48,756
Special Education	893,725	1,572,622	1,561,501	904,846	-	904,846
Career and Postsecondary Education	196,044	425,000	419,267	201,777	2,731	204,508
Contingency Reserve	1,072,531	-	-	1,072,531	-	1,072,531
Rec. Commission - General	73,718	1,062,512	1,050,000	86,230	-	86,230
Rec. Commission - Emp. Benefits	21,344	300,840	295,000	27,184	-	27,184
Textbook Rental	396,090	42,175	10,829	427,436	4,229	431,665
Health Insurance	1,527,366	1,567,154	1,528,549	1,565,971	-	1,565,971
State, Federal and Other Grants	(592,794)	1,906,946	2,190,177	(876,025)	451,801	(424,224)
District Activity	76,518	459,890	463,031	73,377	971	74,348
Bond and Interest Fund:						
Bond & Interest	138,819	-	-	138,819	-	138,819
Total Primary Government	$ 7,196,867	$ 31,956,289	$ 30,094,619	$ 9,058,537	$ 928,716	$ 9,987,253

Composition Of Cash	
Demand Deposits	$ 2,116,467
Money Markets	8,020,122
Total Cash	$ 10,136,589
Agency Funds Per Schedule 4	(149,336)
Total Reporting Entity (Excluding Agency Funds)	$ 9,987,253

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

Unified School District Number 214

Ulysses, Kansas

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Unified School District Number 214
Ulysses, Kansas
Notes to the Financial Statement
June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial Reporting Entity

Unified School District Number 214, Ulysses, Kansas, operates as a municipal corporation in accordance with the laws of the State of Kansas. The District is governed by an elected seven-member board. This regulatory financial statement presents Unified School District Number 214 (the District), the municipality but does not include its related municipal entities. The related municipal entity, which was established to benefit the District and/or its constituents, has been elected by the board not to be included in the District's reporting entity.

Component Unit

1. *Grant County Recreation Commission* - The Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. The recreation commission cannot purchase real property but can acquire real property by gift.

b) Regulatory Basis Fund Types

General Fund – the chief operating 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.

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

c) Basis of Accounting

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

The 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.

d) 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), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 for adoption of the final budget has been adjusted to on or before September 20th. The District did hold a revenue neutral 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. The budget was amended for General Fund.

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 receipts 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.

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

Contingency Reserve Fund, Textbook Rental Fund, Health Care Fund, and State, Federal and Other Grant Funds.

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

NOTE 2 – DEPOSITS AND INVESTMENTS

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

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

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

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The District does not use designated "peak periods".

NOTE 2 – DEPOSITS AND INVESTMENTS, CONTINUED

At June 30, 2023 the carrying amount of the District's deposits, including certificates of deposit, was $9,987,253 and the bank balance was $11,748,066. The bank balance was held by three banks. Approximately 95.59% of the bank balance was held in two of the banks, resulting in a concentration of credit risk. Of the bank balance, $4,830,573 was covered by federal depository insurance and the remaining balance 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. The District had no investments of this type at June 30, 2023.

NOTE 3 – RETIREMENT PLAN

General Information about the Pension Plan
Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. Seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its 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 before 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 contribution 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 14.20% and 13.33%, respectively, for the fiscal year ended June 30, 2022. The actuarially determined employer contribution rate and the statutory contribution rate was 13.88% and 13.11% for the fiscal year ended June 30, 2023.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. The 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 schedule 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 funding for the KPERS School Group in fiscal year 2020 of $51 million.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rate for Fiscal Years 2022 and 2023. Fiscal Year 2022 was recertified from 14.09% to 13.33% and Fiscal Year 2023 from 13.86% to 13.11%. The bond proceeds were received by KEPRS on August 26, 2021. The 2022 Legislature

NOTE 3 – RETIREMENT PLAN, CONTINUED

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 pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 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 of retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $1,404,183 for the year ended June 30, 2023.

Net Pension Liability

At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was $13,037,873. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on the ratio of the District's contribution 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, 2022. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

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

NOTE 4 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

b) *Sick Leave.* District employees who regularly work more than thirty-five hours per week earn between ten and sixty days. Classified employees may accumulate unused sick leave from previous years up to sixty days. Certified staff accumulates all of the prior year's sick leave, plus 10 days up to a maximum of sixty days. Employees have the right to donate up to two of his/her sick leave days to another employee of the district in each contract period.

c) *Personal Days*. All full-time employees, excluding school nurses, defined as working either thirty hours or over, receive one personal business day per year, accumulative to two during the fiscal year. School Nurses, also considered full-time, are granted two personal days, accumulative to three. Personal days of certified staff may be paid out at $100 a day with up to one personal day being carried over into the next contract year.

d) *Vacation Days.* Classified staff, the Superintendent and the Assistant Superintendent are eligible for vacation days. Classified staff receive vacation days range from 10 to 20 days based on years of service with the District. The Superintendent and/or Assistant Superintendent's vacation days, which range from 15 to 25 days, is based upon years of experience. Accumulated vacation is paid to employees upon termination, retirement or resignation. The liability for accumulated vacation pay is not shown on this financial statement in accordance with a statutory based financial statement.

Any vacation day carried over from preceding contract year that is not used by June 30th of the current contract year

NOTE 4 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS, CONTINUED

shall be forfeited.

e) *Payment for Unused Sick Leave*. The Board of Education shall pay each teacher upon retirement under KPERS, in the case of a disability that would prevent continued employment by the district, or the teacher's beneficiaries in the event of the teacher's death.

f) *Termination Benefits.* Eligible employees of USD 214, who are prior to the age of 65, may elect to resign or retire with termination benefits. The employee shall be entitled to no more than three years of benefits and the benefits shall terminate in the event of death and no payment shall be made by the beneficiary. The district will not make early retirement incentive payments to any employee who has not already begun receiving retirement benefits from KPERS.

Eligible employees must be a current full-time employee and have twenty or more years employment service with USD 214 and has reached age 58. The maximum amount of payment will be $8,000 each year for three years.

NOTE 5 – INTERFUND TRANSFERS

Interfund operating transfers are as follows:

Fund Transferred Out:	Fund Transferred To:	Statutory Authority	Amount
General	Virtual Education	K.S.A. 72-6428	$ 120,935
General	Bilingual Education	K.S.A. 72-6428	95,000
General	Capital Outlay	K.S.A. 72-6428	158,484
General	Special Education	K.S.A. 72-6428	1,012,586
General	Career and Postsecondary Education	K.S.A. 72-6428	425,000
General	Professional Development	K.S.A. 72-6428	40,000
General	Preschool-Aged At-Risk	K.S.A. 72-6428	120,000
General	At-Risk (K-12)	K.S.A. 72-6428	2,503,500
Supplemental General	Adult Education	K.S.A. 72-6428	60,000
Supplemental General	Bilingual Education	K.S.A. 72-6428	342,182
Supplemental General	Special Education	K.S.A. 72-6428	450,000
Supplemental General	At Risk (K-12)	K.S.A. 72-6428	636,000

NOTE 6 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, Kansas Department of Administration, and Interpretation by legal repetition of the Municipality.

There were no cash law or budget law violations for the year ending June 30, 2023.

NOTE 7 – CLAIMS, JUDGEMENTS AND 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, grant expenditures have not been audited, but the District believes that any 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.

During the ordinary course of its operation the District is a party 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 impact on the District.

NOTE 7 – CLAIMS, JUDGEMENTS AND RISK MANAGEMENT, CONTINUED

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 in the 2023 fiscal year, and there were no settlements that exceeded insurance coverage in the past three years.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

Unified School District Number 214

Ulysses, Kansas

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Unified School District Number 214
Ulysses, Kansas
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)
Regulatory Basis
For the Year Ended June 30, 2023

Fund	Certified Budget	Adjustment to comply with Legal Maximum	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds:					
General	$ 12,467,941	$ (84,788)	$ 12,383,153	$ 12,383,153	$ -
Supplemental General	3,761,892	-	3,761,892	3,761,892	-
Special Purpose Funds:					
KPERS Special Retirement	1,506,945		1,506,945	1,404,183	(102,762)
Adult Education	98,575		98,575	57,805	(40,770)
Preschool-Aged At-Risk	-		-	117,715	117,715
At-Risk (K-12)	3,144,680		3,144,680	2,557,456	(587,224)
Bilingual Education	523,003		523,003	435,675	(87,328)
Virtual Education	452,788		452,788	55,364	(397,424)
Capital Outlay	3,405,257		3,405,257	797,461	(2,607,796)
Driver Training	94,567		94,567	-	(94,567)
Food Service	1,367,895		1,367,895	970,174	(397,721)
Professional Development	81,294		81,294	35,387	(45,907)
Special Education	2,296,077		2,296,077	1,561,501	(734,576)
Career and Postsecondary Education	540,044		540,044	419,267	(120,777)
Rec. Commission - General	1,050,000		1,050,000	1,050,000	-
Rec. Commission - Emp. Benefits	295,000		295,000	295,000	-
Debt Service Fund:					
Bond & Interest	-		-	-	-

Schedule 2-1

Unified School District Number 214
Ulysses, Kansas
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 10,081,849	$ 11,305,980	$ 11,395,494	$ (89,514)
Mineral Production Tax	109,890	164,587	100,000	64,587
Special Education Aid	911,431	912,586	977,352	(64,766)
Total Receipts	11,103,170	12,383,153	$ 12,472,846	$ (89,693)
Expenditures				
Instruction	3,882,807	4,182,854	5,688,495	(1,505,641)
Student Support Services	289,421	246,610	335,850	(89,240)
Instructional Support Staff	193,748	203,719	262,800	(59,081)
General Administration	431,934	552,397	586,985	(34,588)
School Administration	1,076,654	1,108,757	1,010,275	98,482
Central Services	397,828	382,133	359,250	22,883
Operations and Maintenance	747,736	880,565	833,000	47,565
Student Transportation Services	346,658	350,613	394,100	(43,487)
Operating Transfers	3,736,384	4,475,505	2,997,186	1,478,319
Adjustment to Comply with Legal Max			(84,788)	84,788
Legal General Fund Budget	11,103,170	12,383,153	12,383,153	-
Adjustment for Qualifying Budget Credits	-	-	-	-
Total Expenditures	11,103,170	12,383,153	$ 12,383,153	-
Receipts Over (Under) Expenditures	-	-		$ (89,693)
Unencumbered Cash, July 1	-	-		
Unencumbered Cash, June 30	$ -	$ -		

Unified School District Number 214
Ulysses, Kansas
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 2,204,903	$ 1,940,072	$ 1,975,897	$ (35,825)
Delinquent Tax	26,918	37,512	22,531	14,981
Motor Vehicle Tax Collections	186,502	212,775	155,410	57,365
Recreational Vehicle Tax Collections	3,595	3,352	2,587	765
Supplemental State Aid	1,135,966	1,455,852	1,455,852	-
Total Receipts	3,557,884	3,649,563	$ 3,612,277	$ 37,286
Expenditures				
Instruction	1,101,522	937,292	1,125,395	(188,103)
Student Support Services	18,498	17,937	23,000	(5,063)
General Administration	171,556	193,218	178,500	14,718
School Administration	225,085	222,783	243,500	(20,717)
Operations and Maintenance	833,642	861,035	922,497	(61,462)
Student Transportation Services	44,277	41,445	56,500	(15,055)
Operating Transfers	1,058,204	1,488,182	1,212,500	275,682
Adjustment to Comply With Legal max			-	-
Total Expenditures	3,452,784	3,761,892	$ 3,761,892	-
Receipts Over (Under) Expenditures	105,100	(112,329)		$ 37,286
Unencumbered Cash, July 1	178,712	283,812		
Unencumbered Cash, June 30	$ 283,812	$ 171,483		

Schedule 2-3

Unified School District Number 214
Ulysses, Kansas
KPERS Special Retirement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
State Revenue	$ 1,435,186	$ 1,404,183	$ 1,506,945	$ (102,762)
Total Receipts	1,435,186	1,404,183	$ 1,506,945	$ (102,762)
Expenditures				
Employee Benefits	1,435,186	1,404,183	1,506,945	(102,762)
Total Expenditures	1,435,186	1,404,183	$ 1,506,945	(102,762)
Receipts Over (Under) Expenditures	-	-		$ -
Unencumbered Cash, July 1	-	-		
Unencumbered Cash, June 30	$ -	$ -		

Unified School District Number 214
Ulysses, Kansas
Adult Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 47,692	$ 60,000	$ 40,000	$ 20,000
Miscellaneous Revenue	200	160	-	160
Total Receipts	47,892	60,160	$ 40,000	$ 20,160
Expenditures				
Instruction	49,767	57,725	88,575	(30,850)
Student Support Services	8,624	80	10,000	(9,920)
Total Expenditures	58,391	57,805	$ 98,575	(40,770)
Receipts Over (Under) Expenditures	(10,499)	2,355		$ 60,930
Unencumbered Cash, July 1	69,075	58,576		
Unencumbered Cash, June 30	$ 58,576	$ 60,931		

Schedule 2-5

Unified School District Number 214
Ulysses, Kansas
Preschool-Aged At-Risk Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 110,000	$ 120,000	$ 110,000	$ 10,000
Total Receipts	110,000	120,000	$ 110,000	$ 10,000
Expenditures				
Instruction	117,893	117,715	223,548	(105,833)
Total Expenditures	117,893	117,715	$ -	-
Receipts Over (Under) Expenditures	(7,893)	2,285		$ 10,000
Unencumbered Cash, July 1	121,441	113,548		
Unencumbered Cash, June 30	$ 113,548	$ 115,833		

Unified School District Number 214
Ulysses, Kansas
At-Risk Fund (K-12)
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 2,360,000	$ 3,139,500	$ 2,900,000	$ 239,500
Total Receipts	2,360,000	3,139,500	$ 2,900,000	$ 239,500
Expenditures				
Instruction	2,369,679	2,556,720	3,139,680	(582,960)
Student Support Services	558	-	5,000	(5,000)
Instructional Support Staff	862	736	-	736
Total Expenditures	2,371,099	2,557,456	$ 3,144,680	(587,224)
Receipts Over (Under) Expenditures	(11,099)	582,044		$ 826,724
Unencumbered Cash, July 1	255,779	244,680		
Unencumbered Cash, June 30	$ 244,680	$ 826,724		

Schedule 2-7

Unified School District Number 214
Ulysses, Kansas
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 378,000	$ 437,182	$ 380,000	$ 57,182
Total Receipts	378,000	437,182	$ 380,000	$ 57,182
Expenditures				
Instruction	384,943	435,675	523,003	(87,328)
Total Expenditures	384,943	435,675	$ 523,003	(87,328)
Receipts Over (Under) Expenditures	(6,943)	1,507		$ 144,510
Unencumbered Cash, July 1	149,947	143,004		
Unencumbered Cash, June 30	$ 143,004	$ 144,511		

Unified School District Number 214
Ulysses, Kansas
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 97,465	$ 120,935	$ 100,000	$ 20,935
Total Receipts	97,465	120,935	$ 100,000	$ 20,935
Expenditures				
Instruction	58,882	55,364	452,788	(397,424)
Total Expenditures	58,882	55,364	$ 452,788	(397,424)
Receipts Over (Under) Expenditures	38,583	65,571		$ 418,359
Unencumbered Cash, July 1	314,205	352,788		
Unencumbered Cash, June 30	$ 352,788	$ 418,359		

Schedule 2-9

Unified School District Number 214
Ulysses, Kansas
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 852,838	$ 1,305,286	$ 1,262,608	$ 42,678
Delinquent Tax	8,916	14,710	8,711	5,999
Motor Vehicle Tax	61,760	74,565	53,492	21,073
Recreation Vehicle Tax	1,190	1,177	890	287
Interest	13,209	205,543	-	205,543
Donations	17,436	34,695	-	34,695
Sale of Equipment	17,376	10,437	-	10,437
Insurance Claims	40,941	24,375	-	24,375
Rental Income	10,620	16,033	-	16,033
Miscellaneous	506	466	-	466
Transfer from General Fund	-	158,484	-	158,484
State Aid	312,454	421,967	422,624	(657)
Total Receipts	1,337,246	2,267,738	$ 1,748,325	$ 519,413
Expenditures				
Instruction	424,567	285,996	750,000	(464,004)
Student Support Services	-	-	-	-
General Administration	53,503	43,780	75,000	(31,220)
School Administration	-	5,117	-	5,117
Operations and Maintenance	32,988	54,983	60,000	(5,017)
Transportation	109,705	205,435	200,000	5,435
Site Improvements	46,219	100,760	50,000	50,760
Building Improvements	1,864,920	101,390	2,270,257	(2,168,867)
Total Expenditures	2,531,902	797,461	3,405,257	(2,607,796)
Receipts Over (Under) Expenditures	(1,194,656)	1,470,277		$ 3,127,209
Unencumbered Cash, July 1	2,851,587	1,656,931		
Unencumbered Cash, June 30	$ 1,656,931	$ 3,127,208		

Unified School District Number 214
Ulysses, Kansas
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
State Aid	$ 6,832	$ -	$ 14,850	$ (14,850)
Student Fees	-	-	-	-
Transfer In	-	-	7,500	(7,500)
Total Receipts	6,832	-	$ 22,350	$ (22,350)
Expenditures				
Instruction	992	-	94,567	(94,567)
Total Expenditures	992	-	$ 94,567	(94,567)
Receipts Over (Under) Expenditures	5,840	-		$ 72,217
Unencumbered Cash, July 1	66,377	72,217		
Unencumbered Cash, June 30	$ 72,217	$ 72,217		

Schedule 2-11

Unified School District Number 214
Ulysses, Kansas
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Federal Aid	$ 1,215,189	$ 819,951	$ 730,275	$ 89,676
State Aid	8,239	7,566	7,089	477
Charges for Services	5,958	134,714	201,975	(67,261)
Miscellaneous Revenue	11,535	12,629	-	12,629
Transfers In	-	17,126	-	17,126
Total Receipts	1,240,921	991,986	$ 939,339	$ 52,647
Expenditures				
Operations and Maintenance	30,590	195	36,500	(36,305)
Food Service Operation	1,025,422	969,979	1,331,395	(361,416)
Total Expenditures	1,056,012	970,174	$ 1,367,895	(397,721)
Receipts Over (Under) Expenditures	184,909	21,812		$ 450,368
Unencumbered Cash, July 1	243,648	428,557		
Unencumbered Cash, June 30	$ 428,557	$ 450,369		

Unified School District Number 214
Ulysses, Kansas
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
State Aid	$ -	$ 4,750	$ 6,900	$ (2,150)
Transfers In	-	40,000	35,000	5,000
Miscellaneous Revenue	-	-	-	-
Total Receipts	-	44,750	$ 41,900	$ 2,850
Expenditures				
Instructional Support Staff	58,353	35,387	81,294	(45,907)
Total Expenditures	58,353	35,387	$ 81,294	(45,907)
Receipts Over (Under) Expenditures	(58,353)	9,363		$ 48,757
Unencumbered Cash, July 1	97,746	39,393		
Unencumbered Cash, June 30	$ 39,393	$ 48,756		

Schedule 2-13

Unified School District Number 214
Ulysses, Kansas
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
General Fund Transfer of State Aid	$ 911,431	$ 912,586	$ 977,352	$ (64,766)
ESSER - CARES Act Revenue	25,758	24,094	-	24,094
Transfers In	400,000	550,000	425,000	125,000
Medicaid Reimbursement	74,162	85,942	-	85,942
Total Receipts	1,411,351	1,572,622	$ 1,402,352	$ 170,270
Expenditures				
Instruction	1,498,136	1,553,797	2,258,827	(705,030)
Vehicle Operating Services	9,105	1,046	26,500	(25,454)
Vehicle Service & Maintenance	4,387	6,658	10,750	(4,092)
Total Expenditures	1,511,628	1,561,501	$ 2,296,077	(734,576)
Receipts Over (Under) Expenditures	(100,277)	11,121		$ 904,846
Unencumbered Cash, July 1	994,002	893,725		
Unencumbered Cash, June 30	$ 893,725	$ 904,846		

Unified School District Number 214
Ulysses, Kansas
Career and Post Secondary Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Transfers In	$ 340,000	$ 425,000	$ 344,000	$ 81,000
Total Receipts	340,000	425,000	$ 344,000	$ 81,000
Expenditures				
Instruction	343,771	417,154	527,544	(110,390)
Central Services	-	-	2,500	(2,500)
Operations and Maintenance	1,479	2,113	10,000	(7,887)
Total Expenditures	345,250	419,267	$ 540,044	(120,777)
Receipts Over (Under) Expenditures	(5,250)	5,733		$ 201,777
Unencumbered Cash, July 1	201,294	196,044		
Unencumbered Cash, June 30	$ 196,044	$ 201,777		

Schedule 2-15

Unified School District Number 214
Ulysses, Kansas
Contingency Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year	Current Year
Receipts		
Transfers In	$ -	$ -
Total Receipts	-	-
Expenditures		
Operations and Maintenance	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, July 1	1,072,531	1,072,531
Unencumbered Cash, June 30	$ 1,072,531	$ 1,072,531

Unified School District Number 214
Ulysses, Kansas
Recreation Commission - General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 730,489	$ 978,588	$ 947,828	$ 30,760
Delinquent Tax	9,439	13,173	7,466	5,707
Motor Vehicle Tax	68,656	69,654	50,749	18,905
Recreational/Rental Vehicle Tax	1,275	1,097	845	252
Total Receipts	809,859	1,062,512	$ 1,006,888	$ 55,624
Expenditures				
Community Service Operations	808,000	1,050,000	1,050,000	-
Total Expenditures	808,000	1,050,000	$ 1,050,000	-
Receipts Over (Under) Expenditures	1,859	12,512		$ 55,624
Unencumbered Cash, July 1	71,859	73,718		
Unencumbered Cash, June 30	$ 73,718	$ 86,230		

Schedule 2-17

Unified School District Number 214
Ulysses, Kansas
Recreation Commission - Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 207,802	$ 279,035	$ 270,126	$ 8,909
Delinquent Tax	2,492	3,674	2,128	1,546
Motor Vehicle Tax	18,384	17,849	12,751	5,098
Recreational Vehicle Tax/Excise Tax	354	282	212	70
Total Receipts	229,032	300,840	$ 285,217	$ 15,623
Expenditures				
Community Service Operations	229,250	295,000	295,000	-
Total Expenditures	229,250	295,000	$ 295,000	-
Receipts Over (Under) Expenditures	(218)	5,840		$ 15,623
Unencumbered Cash, July 1	21,562	21,344		
Unencumbered Cash, June 30	$ 21,344	$ 27,184		

Unified School District Number 214
Ulysses, Kansas
Bond & Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Taxes	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	$ -	-
Receipts Over (Under) Expenditures	-	-		$ -
Unencumbered Cash, July 1	138,819	138,819		
Unencumbered Cash, June 30	$ 138,819	$ 138,819		

Schedule 2-19

Unified School District Number 214
Ulysses, Kansas
Textbook Rental Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year	Current Year
Receipts		
Textbook Rentals	$ 41,838	$ 42,175
Transfers In	150,000	-
Total Receipts	191,838	42,175
Expenditures		
Textbook Purchases	224,180	10,829
Total Expenditures	224,180	10,829
Receipts Over (Under) Expenditures	(32,342)	31,346
Unencumbered Cash, July 1	428,432	396,090
Unencumbered Cash, June 30	$ 396,090	$ 427,436

Unified School District Number 214
Ulysses, Kansas
Health Care Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year	Current Year
Receipts		
Health Care Premiums	$ 1,525,449	$ 1,567,154
Total Receipts	1,525,449	1,567,154
Expenditures		
Insurance Premiums	1,520,976	1,528,549
Total Expenditures	1,520,976	1,528,549
Receipts Over (Under) Expenditures	4,473	38,605
Unencumbered Cash, July 1	1,522,893	1,527,366
Unencumbered Cash, June 30	$ 1,527,366	$ 1,565,971

Schedule 2-21

Unified School District Number 214
Ulysses, Kansas
State, Federal and Other Grant Funds
Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2023

	Gifts and Grants	KMS GCCF Grant	Drive 4 UR School	ESSER II & III	Teacher Recruite-ment	Title I Low Income
Receipts						
Federal Grants	$ -	$ -	$ -	$ 1,241,244	$ -	$ 341,500
Other Agencies/Misc.	26,681	12,284	-	-	-	-
Total Receipts	26,681	12,284	-	1,241,244	-	341,500
Expenditures						
Instruction	-	599	-	1,232,560	645	330,588
Student Support Services	-	8,841	-	52,043	-	4,069
Instructional Support Staff	-	1,825	-	2,422	-	-
General Administration	-	-	-	66,987	-	-
School Administration	-	-	-	15,340	-	-
Central Office	-	-	-	5,652	-	-
Operations and Maintenance	26,905	-	-	38,505	-	-
Vehicle Services	-	-	-	7,716	-	-
Food Service	-	-	-	-	-	-
Total Expenditures	26,905	11,265	-	1,421,225	645	334,657
Receipts Over (Under) Exp.	(224)	1,019	-	(179,981)	(645)	6,843
Unencumbered Cash, July 1	224	3,096	6,872	(603,468)	3,626	(6,827)
Unencumbered Cash, June 30	$ -	$ 4,115	$ 6,872	$ (783,449)	$ 2,981	$ 16

Unified School District Number 214
Ulysses, Kansas
State, Federal and Other Grant Funds
Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2023

Title I Migrant	Supporting Effective Instruction	English Language Acquisition	KDHE COVID Testing Grant	ESSA	21st Century AfterSch	Totals
$80,500	$ 48,226	$ 44,000	$ 10,586	$27,425	$74,500	$1,867,981
-	-	-	-	-	-	38,965
80,500	48,226	44,000	10,586	27,425	74,500	1,906,946
52,399	41,819	37,926	-	-	82,068	1,778,604
27,483	3,428	-	115,656	-	-	211,520
-	6,658	-	-	27,425	-	38,330
361	-	-	-	-	-	67,348
-	-	-	-	-	-	15,340
-	-	-	-	-	-	5,652
-	-	-	-	-	-	65,410
-	-	-	-	-	-	7,716
257	-	-	-	-	-	257
80,500	51,905	37,926	115,656	27,425	82,068	2,190,177
-	(3,679)	6,074	(105,070)	-	(7,568)	(283,231)
-	1,706	(3,178)	(22)	-	5,177	(592,794)
$ -	$ (1,973)	$ 2,896	$ (105,092)	$ -	$ (2,391)	$ (876,025)

Schedule 3

Unified School District Number 214
Ulysses, Kansas
District Activity Funds
Schedule of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2023

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
High School	$ 1,774	$ 72,591	$ 71,667	$ 2,698	$ -	$ 2,698
Kepley	314	28,600	27,598	1,316	-	1,316
Total Gate Receipts	2,088	101,191	99,265	4,014	-	4,014
School Projects						
High School						
Concessions	10,144	29,379	28,387	11,136	-	11,136
Other Revenue	2,113	130,155	130,788	1,480	-	1,480
Special Band and Choirs	2,381	562	625	2,318	-	2,318
Student Collections	137	-	-	137	-	137
Yearbook	4,865	11,621	11,297	5,189	-	5,189
Subtotal High School	19,640	171,717	171,097	20,260	-	20,260
USD No. 214						
Other Revenues	19,214	102,416	103,062	18,568	-	18,568
Book Fair	4,982	12,041	16,230	793	971	1,764
T-shirts and Yearbook	27,165	8,282	9,540	25,907	-	25,907
Subtotal USD No. 214	51,361	122,739	128,832	45,268	971	46,239
Kepley School						
Student Activity	2,798	61,789	62,049	2,538	-	2,538
Kepley Educator	631	2,454	1,788	1,297	-	1,297
Subtotal Kepley School	3,429	64,243	63,837	3,835	-	3,835
Total School Projects	74,430	358,699	363,766	69,363	971	70,334
Total District Activity Funds	$ 76,518	$ 459,890	$ 463,031	$ 73,377	$ 971	$ 74,348

Unified School District Number 214
Ulysses, Kansas
Student Organization Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2023

High School	Beginning Cash Balance	Receipts	Disbursement	Ending Cash Balance
Cheerleaders	$ 2,624	$ 6,030	$ 6,106	$ 2,548
Class of 2020	544	7,473	5,556	2,461
Class of 2021	4,142	-	-	4,142
Class of 2022	1,866	-	100	1,766
Class of 2023	1,805	240	-	2,045
Class of 2024	-	2,249	1,254	995
Class of 2026	716	-	-	716
Entrepreneurship	386	-	-	386
FAMCONSSC	-	1,248	1,248	-
FBLA	22,557	38,996	36,089	25,464
FCA	4,893	-	151	4,742
FFA	7,194	14,371	12,734	8,831
FHAFCCLA	244	473	31	686
Forensics	41	1,242	599	684
Halo	4,820	1,047	40	5,827
IAC	6,025	1,668	1,180	6,513
Interact	5,841	165	1,468	4,538
LEO Club	23	-	-	23
Marching Band	-	190	145	45
Miscellaneous	-	1,821	1,821	-
Musical	5,403	11,230	7,815	8,818
NFL	169	-	-	169
NHS	7,256	440	3,432	4,264
Odyssey of the Mind	4,439	916	2,305	3,050
PBS	378	123	132	369
SADD	6,418	6,457	3,693	9,182
Safe	832	678	1,115	395
Scholars Bowl	-	800	527	273
Stuco	1,256	2,686	2,340	1,602
Technology	-	2,884	2,884	-
Tiger Robotics	2,399	-	-	2,399
U-Club	14,935	56,637	38,432	33,140
Subtotal High School	107,206	160,064	131,197	136,073
Kepley School				
Band	-	560	560	-
Crime Stoppers	185	-	-	185
Custom Cubs Club	-	118		118
Stuco	166	-	-	166
Bank Charges	-	1,054	1,054	-
Life Skills	-	1	1	-
Yearbook	5,294	1,309	1,225	5,378
8th Grade Class	-	1,631	1,631	-
Student Leadership	1,385	1,470	2,176	679
Subtotal Kepley School	7,030	6,143	6,647	6,526
Total Student Organization Funds	$ 114,236	$ 166,207	$ 137,844	$ 142,599

Schedule 4-2

Unified School District Number 214
Ulysses, Kansas
District Clearing Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2023

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
High School Sales Tax	$ 6,390	$ 7,959	$ 8,059	$ 6,290
Kepley School Sales Tax	9	260	53	216
USD No. 214 Sales Tax	103	542	414	231
	$ 6,502	$ 8,761	$ 8,526	$ 6,737

Unified School District Number 214

Ulysses, Kansas

SINGLE AUDIT SECTION

For the Year Ended June 30, 2022

Dirks, Anthony & Duncan, LLC
Certified Public Accountants & Management Consultants
104 N. Main / P.O. Box 885 / Ulysses, KS 67880 / Phone: (620) 356-4951 / Fax: (620) 353-1018

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*

Superintendent and Board of Education
Unified School District Number 214
Ulysses, Kansas 67880

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 Number 214 which comprise the statement of receipts, expenditures, and unencumbered cash as of June 30, 2023, and the related notes to the financial statement, which collectively comprise Unified School District Number 214's basic financial statement, and have issued our report thereon dated December 8, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District Number 214'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 Unified School District Number 214's internal control. Accordingly, we do not express an opinion on the effectiveness of Unified School District Number 214'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 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 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 Unified School District Number 214'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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

December 8, 2023

Dirks, Anthony & Duncan, LLC
Certified Public Accountants & Management Consultants
104 N. Main / P.O. Box 885 / Ulysses, KS 67880 / Phone: (620) 356-4951 / Fax: (620) 353-1018

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

Superintendent and Board of Education
Unified School District Number 214
Ulysses, Kansas 67880

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District Number 214's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Unified School District Number 214's major federal programs for the year ended June 30, 2023. Unified School District Number 214's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Unified School District Number 214 complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* 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 Unified School District Number 214 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 each major federal program. Our audit does not provide a legal determination of Unified School District Number 214'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 Unified School District Number 214'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 Unified School District Number 214'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 Unified School District Number 214's compliance with the requirements of each 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 Unified School District Number 214'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 Unified School District Number 214'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 Unified School District Number 214'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Unified School District Number 214's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Unified School District Number 214's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

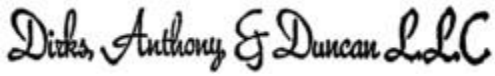
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Unified School District Number 214's response to the internal control over compliance findings identified in our compliance audit described

in the accompanying schedule of findings and questioned costs. Unified School District Number 214's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

December 8, 2023

Unified School District Number 214
Ulysses, Kansas
Schedule of Expenditures of Federal Awards
Regulatory Basis
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Numbers	Pass Through Identifying Number	Federal Award Expenditures
U.S. Department of Agriculture			
Passed Through State of Kansas Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553	D0214	$ 148,208
National School Lunch Program	10.555	D0214	589,522
SFS - CFC	10.559	D0214	67,550
Cash for Commodities	10.558	D0214	14,671
Total Child Nutrition Cluster			819,951
Total U.S. Department of Agriculture			819,951
U.S. Department of Education			
Passed Through State of Kansas Department of Education			
Title I Low Income	84.010A	D0214	334,657
Title I Migrant	84.011A	D0214	80,500
Title IV 21st Century Community Learning Center	84.287C	D0214	82,068
English Lanugage Acquisition	84.365A	D0214	37,926
Supporting Effective Instruction	84.367A	D0214	51,905
ESSA	84.424A	D0214	27,425
Education Stabilization Fund Cluster:			
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425W	D0374	5,725
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U	D0374	876,190
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	D0374	563,404
Total Education Stabilization Fund Cluster			1,445,319
Total U.S. Department of Education			2,059,800
U.S. Department of Health and Human Services			
Passed Through State of Kansas Department of Education			
Youth Risk Behavior	93.079	D0214	75
COVID-19 - KDHE K-12 COVID Testing Grant	93.323	D0214	115,656
Total U.S. Department of Health and Human Services			115,731
Total Expenditures of Federal Awards			$ 2,995,482

Unified School District Number 214
Ulysses, Kansas
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Unified School District Number 214, Ulysses, Kanas (the District) under programs of the federal government for the year ended June 30, 2023. The information in this schedule if 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 select portion of the operations of District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using regulatory basis of accounting prescribed by the Kanas 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1) Expenditures reported in the Schedule of Expenditures of Federal Awards (SEFA) are reported using the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash and budget laws of the State of Kansas, the same as the financial statement accompanying this schedule.

2) Unified School District Number 214 did not use the standard indirect cost rate of 10%.

NOTE 3 – FUNDS EXPENDED

Funds where federal expenditures were receipted and expended:

Food Service Fund	$ 819,951
General Fund	75
Special Education Fund	24,094
From State, Federal and Other Grant Funds:	
ESSER II & III	1,421,225
Title I Low Income	334,657
Title I Migrant	80,500
Supporting Effective Instruction	51,905
English Language Acquisition	37,926
KDHE Covid Testing Grant	115,656
ESSA	27,425
21st Century After School	82,068
	$ 2,995,482

Unified School District Number 214
Ulysses, Kansas
Schedule of Finding & Questioned Costs
For the Year Ended June 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENT

The auditor's report expresses an **adverse opinion** on the financial statement of Unified School District Number 214 on the Generally Accepted Accounting Principles (GAAP) basis of accounting, but an **unmodified opinion** on the regulatory basis of accounting as prescribed by the State of Kansas.

Internal Control Over Financial Reporting:

• Material weknesses identified?		Yes	X	No
• Significant defiency(ies) identified?		Yes	X	None Reported
• Noncompliance or other matters required to be reported under *Government Auditing Standards*?		Yes	X	No

FEDERAL AWARDS

Internal Control Over Financial Reporting:

• Material weaknesses identified?		Yes	X	No
• Significant defiency(ies) identified?	X	Yes		None Reported

Type of auditor's report issued on compliance for major programs:

Education Stablization Fund	Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	X	Yes		No

Identification of Major Programs/Cluster:	**Assistance Listing Number:**
Education Stabilization Fund Cluster:	
Elementary and Secondary School Emergency Relief Fund	84.425W
American Rescue Plan Elementary and Secondary School Emergency Relief Fund	84.425U
Elementary and Secondary School Emergency Relief Fund	84.425D

Dollar threshold to distinguish between Type A and Type B Programs:	$750,000

Auditee qualifies as a low-risk auditee?		Yes	X	No

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no reportable findings.

Unified School District Number 214
Ulysses, Kansas
Schedule of Finding & Questioned Costs
For the Year Ended June 30, 2023

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF EDUCATION
Passed Through Kansas Department of Education
Program Name: Education Stabilizaton Fund Cluster
Federal Assistance Listing Numbers: 84.425W, 84.425U, 84.425D

FINDING 2023-001
SIGNIFICANT DEFICENCY and NONCOMPLIANCE
Equipment/Real Property Management

Condition : Pursuant to the Code of Federal Regulations (CFR), Title 2 Grants and Agreements, Subpart D Post Federal Award Requirements, Section 200.303 “the non-federal entity must establish and maintain effective internal control over the Federal aware that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.”

Condition : When investigating the controls and compliance related to equipment management, we became aware that the District does not have a inventory tracking managmenet system in place for non-technology items.

Cause : The controls related to equipment maintenance for Education Stabilization Fund are non-existent.

Effect : There is no internal control related to non-technology equipment maintenance.

Recommendations : The Board of Directors, the Director and key positions of management should adequately document internal control procedures for equipment inventory, log maintenance, and dispositions requirements consistent with 2 CFR sections 200.313(c) through (e). Board should then periodically check that all procedures agreed upon are operational and effective, and adjust procedures as needed.

Views of Responsible Officials and Planned Corrective Actions : The District agrees with the finding. See separate document for planned corrective actions.

Unified School District Number 214
Ulysses, Kansas
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2023

FINDINGS - FEDERAL AWARD PROGRAMS AUDIT

Finding 2022-001 **Suspension and Debarment**

Criteria: Recommended Procedures

Condition: District did not verify that an entity with which it planned to enter into a covered transaction was not debarred, suspended or otherwise excluded as required by board policy and federal guidelines. (2 CFR sections 200.212 and 200.318(h); 2 CFR section 180.300; 48 CFR section 52.209-6)

Recommendation: The Board of Directors, the Director and key positions of management should re-assess the current board policy and potentially add encompassing compensating controls. The Board should then periodically check that all procedures agreed upon are operational and effective, and adjust procedures as needed.

Current Status: Corrective Action Taken.

Finding 2022-002 **Equipment/Real Property Management**

Criteria: Recommended Procedures

Condition: Equipment and property purchased were not subject to inventory management as requried by federal guidelines. (2 CFR sections 200.313(c) through (e))

Recommendation: The Board of Directors, the Director and key positions of management should adequately document internal control procedures for equipment inventory, log maintenance, and dispositions requirements consistent with 2 CFR sections 200.313(c) through (e). Board should then periodically check that all procedures agreed upon are operational and effective, and adjust procedures as needed.

Current Status: See Current Year Finding 2023-001

USD 214 – Ulysses
"A great place to grow, learn and succeed!"

CORRECTIVE ACTION PLAN

December 7, 2023

Kansas State Department of Education and Kansas State Department of Administration

Unified School District Number 214 respectfully submits the following corrective action plan for the year ended June 30, 2023.

Dirks, Anthony & Duncan, LLC
Po Box 885
Ulysses, KS 67880

Audit Period: June 30, 2023

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT
U.S. Department of Education
Passed Through Kansas State Department of Education
Program Name: Education Stabilization Fund Cluster
Federal Assistance Listing Numbers: 84.425W, 84.425U, 84.425D

Finding 2023-001

Recommendations: The Board of Directors, the Director and key positions of management should adequately document internal control procedures for equipment inventory, log maintenance, and dispositions requirements consistent with 2 CFR sections 200.313(c) through (e). Board should then periodically check that all procedures agreed upon are operational and effective, and adjust procedures as needed.

Action Taken: We agree with the recommendation. Our targeted implementation date is March 2024.

If the Kansas State Department of Education and/or Kansas State Department of Administration has questions regarding this plan, please call Corey Burton at 620-356-3655.

Sincerely yours,

Corey Burton
Superintendent

Corey Burton
Superintendent

Kevin Warner
Director of Student Learning

USD 214 – Ulysses
"A great place to grow, learn and succeed!"

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

December 7, 2023

Kansas State Department of Education and Kansas State Department of Administration

Unified School District Number 494 respectfully submits the following status updates of prior year audit findings for the year ended June 30, 2022.

Dirks, Anthony & Duncan, LLC
PO Box 885
Ulysses, KS 67880

Audit Period: June 30, 2022

FEDERAL AWARD FINDINGS

2022-001	**Suspension and Debarment**	
	Condition:	District did not verify that an entity with which it planned to enter into a covered transaction was not debarred, suspended or otherwise excluded as required by board policy and federal guidelines. (2 CFR sections 200.212 and 200.318(h); 2 CFR section 180.300; 48 CFR section 52.209-6)
	Status:	Correction Action Taken
2022-002	Equipment/Real Property Management	
	Condition:	Equipment and property purchased were not subject to inventory management as required by federal guidelines. (2 CFR sections 200.313(c) through (e))
	Status:	Corrective Action Not Taken – See "Corrective Action Plan"

If the Kansas State Department of Education and/or Kansas State Department of Administration has questions regarding this plan, please call Corey Burton at 620-356-3655.

Sincerely yours,

Corey Burton
Superintendent

Corey Burton
Superintendent

Kevin Warner
Director of Student Learning