UNIFIED SCHOOL DISTRICT NO. 458

Basehor-Linwood, Kansas

Financial Statements

For the Year Ended June 30, 2024

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UNIFIED SCHOOL DISTRICT NO. 458
Financial Statements
For the Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 458
Basehor, Kansas

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 458, Basehor, Kansas (the District), as of and for the year ended June 30, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2024, 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, 2024, 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 *Governmental 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 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 receipts and disbursements-agency funds and the 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 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*. 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* (CFR) *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 itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated October 3, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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.

Other Matters

Other Matter

The 2023 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2024 (Schedule 2 as listed in the table of contents), is presented for purposes of additional analysis and is not a required part of the basic financial statement.

The District's basic financial statement for the year ended June 30, 2023 (not presented herein), was audited by other auditors whose report dated January 31, 2024, expressed an unmodified opinion on the basic financial statement. The 2023 basic financial statement and the other auditor's report are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipalservices. The report of the other auditors dated January 31, 2024, stated that the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2023 was subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2023, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

October 3, 2024

UNIFIED SCHOOL DISTRICT NO. 458
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ -	$ -	$ 21,927,983	$ 21,927,983	$ -	$ 67,826	$ 67,826
Supplemental General	145,562	-	6,752,922	6,796,004	102,480	90,441	192,921
Special Purpose Funds:							
At Risk (K-12)	-	-	1,447,330	1,447,330	-	-	-
Bilingual Education	97	-	115,992	115,992	97	-	97
Virtual Education	2,225	20	734,399	736,623	21	35	56
Capital Outlay	3,178,051	287,980	3,264,684	4,510,083	2,220,632	467,017	2,687,649
Food Service	167,096	-	1,333,137	1,497,977	2,256	200	2,456
Professional Development	66,244	-	87,039	153,283	-	-	-
Parent Education	82,072	-	80,032	120,075	42,029	87	42,116
Special Education	336,057	24,541	6,136,489	6,494,100	2,987	58,434	61,421
Special Education Cooperative	32,088	72,301	10,014,048	10,015,532	102,905	1,768	104,673
Career and Postsecondary Education	31,362	-	484,155	515,517	-	17	17
KPERS Special Retirement Contribution	-	-	3,008,287	3,008,287	-	-	-
Gifts and Grants	55,729	301	7,382	142	63,270	-	63,270
Contingency Reserve	1,320,211	-	-	383,922	936,289	-	936,289
Textbook and Student Material Revolving	129,013	-	523,909	652,856	66	1,200	1,266
Federal Funds	[81,938]	-	1,577,184	1,495,174	72	30,821	30,893
District Activities	213,084	-	1,002,559	955,904	259,739	-	259,739
Bond and Interest Fund:							
Bond and Interest	7,401,297	-	12,016,030	7,994,015	11,423,312	-	11,423,312
Special Assessment	18,100	-	19,413	19,619	17,894	-	17,894
Capital Project Fund:							
Bond Construction II	4,286,920	4,984	-	4,291,904	-	-	-
Total Reporting Entity (excluding Agency Funds)	$ 17,383,270	$ 390,127	$ 70,532,974	$ 73,132,322	$ 15,174,049	$ 717,846	$ 15,891,895

Composition of Cash:		
	Community National Bank	
	Checking Accounts	$ 13,566,485
	First State Bank	
	Checking Account	2,597,275
	Cash Balance	16,163,760
	Less: Agency Funds per Schedule 3	[271,865]
	Total Reporting Entity (Excluding Agency Funds)	$ 15,891,895

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

UNIFIED SCHOOL DISTRICT NO. 458
Notes to the Financial Statements
For the Year Ended June 30, 2024

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 458 (the District) is a municipal corporation governed by an elected seven-member board. These financial statements present the District (the primary government). The District has no related municipal entities.

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.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2024:

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 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.

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.

Agency Fund - funds used to report assets held by the District in a purely custodial capacity (payroll clearing fund, student organization fund, etc.).

Reimbursed Expenses

Expenditures in the amount of $838,224 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund(s), 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 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 rating hearing, the budget timeline for the adoption of the final budget has been adjusted to on or before September 20th. 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 basis 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 not amended for the year ended June 30, 2024.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory 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 the following special purpose funds: Contingency Reserve, Textbook and Student Material Revolving, Bond Construction II and District Activity.

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.

NOTE 2 - Deposits and Investments (Continued)

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 has no designated "peak periods."

As of June 30, 2024, the District's carrying amount of deposits was $16,163,760 and the bank balance was $20,023,962. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by federal depository insurance and $19,523,962 was collateralized with securities held by the pledging financial institutions' 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.

NOTE 3 - Defined Benefit Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contribution rates are withheld by their employer and paid to KPERS according to 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 13.88% and 13.11%, respectively, for the fiscal year ended June 30, 2023. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57% for the fiscal year ended June 30, 2024.

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

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

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

NOTE 3 - 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 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 employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $3,008,287 for the year ended June 30, 2024.

Net Pension Liability. As of June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $25,892,556. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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, 2023. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

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

Under the *Consolidated Omnibus Budget Reconciliation Act* (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

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, 2024.

Sick and Vacation Leave. The District provides sick leave for certified and classified personnel. Certified employees earn sick leave at the rate of ten days of leave each school year, or eleven days each year after five years of service with the District. Once a professional employee has accrued 90 sick days, they may opt to sell back any of their unused leave at $50 per day for up to 11 days. Classified employees earn sick leave at the rate of any day per month. After five years of continual service, the employee will receive one additional day.

Vacation leave is provided to classified employees with 12-month contracts based on years of continual employment, up to a maximum accumulation of 40 days. Leave is earned at the following rates:

Years of Service	Vacation days Earned Per Year
0-5 years	10 days
6 years	11 days
7 years	12 days
8 years	13 days
9 years	14 days
10 years and over	15 days

NOTE 4 - Other Long-Term Obligations from Operations (Continued)

The District has not determined the liability for compensated absences because the amount cannot be reasonably estimated.

NOTE 5 - Special Education Cooperative

The District entered into a cooperative agreement with Unified School District No. 464 Tonganoxie to provide special education services. The cooperative was formed pursuant to K.S.A 72-968 *et. Seq*. and Unified School District No. 458 is the sponsoring district.

The sponsoring district applies for all federal aid and each participating district applies for state aid for special education services. Each district is financially responsible for the salary and wages of their own employees associated with special education services and both districts share in the administrative and overhead costs agreed upon from the approved budget.

NOTE 6 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District pays an annual premium to KERMP LLC for property insurance coverage. The agreement to participate provides that the KERMP LLC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERMP LLC management.

NOTE 7 - Interfund Transfers

Transfers for the year ended June 30, 2024, are approved by the Board of Education and are as follows:

From	To	Amount	Regulatory Authority
General	Bilingual Education	$ 94,924	K.S.A. 72-5167
General	Virtual Education	734,399	K.S.A. 72-5167
General	Professional Development	36,207	K.S.A. 72-5167
General	Special Education	4,133,495	K.S.A. 72-5167
General	Textbook and Student Material Revolving	326,293	K.S.A. 72-5167
General	At Risk (K-12)	1,083,744	K.S.A. 72-5167
Supplemental General	Food Service	23,312	K.S.A. 72-5143
Supplemental General	Bilingual Education	21,068	K.S.A. 72-5143
Supplemental General	Professional Development	33,190	K.S.A. 72-5143
Supplemental General	Special Education	2,002,994	K.S.A. 72-5143
Supplemental General	At Risk (K-12)	363,586	K.S.A. 72-5143
Supplemental General	Career and Postsecondary Education	477,827	K.S.A. 72-5143
Supplemental General	Parent Education	25,000	K.S.A. 72-5143
Contingency Reserve	Supplemental General	383,922	K.S.A. 72-5165
Bond Construction II	Bond and Interest	3,647,487	K.S.A. 10-117a
Total		$ 13,387,449	

NOTE 8 - Long-Term Debt

The following table summarizes changes in long-term debt for the year ended June 30, 2024:

Type of Issue	Beginning Principal Outstanding	Additions to Principal	Reductions of Principal	Ending Principal Outstanding	Interest Paid
G.O. Bonds To Be Paid With Tax Levies:					
2012 Refunding Series	$ 1,315,000	$ -	$ 130,000	$ 1,185,000	$ 30,125
2013 Refunding Series	6,080,000	-	735,000	5,345,000	171,375
2014 Refunding Series	6,320,000	-	1,215,000	5,105,000	190,025
2015 Refunding and Improvement Series	2,710,000	-	1,005,000	1,705,000	95,675
2016 Refunding Series	3,705,000	-	-	3,705,000	148,200
2016-B Refunding Series	2,030,000	-	915,000	1,115,000	40,625
2018 Improvement Series	1,970,000	-	235,000	1,735,000	78,175
2020 Refunding Series/2023 Converted Series	810,000	-	195,000	615,000	15,571
2020-B Refunding Series	7,145,000	-	-	7,145,000	132,183
2021 Refunding Series	36,875,000	-	760,000	36,115,000	784,043
2022 Refunding Series	28,415,000	-	255,000	28,160,000	862,769
	97,375,000	-	5,445,000	91,930,000	2,548,765
Finance Leases					
Apple Computer Equipment	365,597	-	182,798	182,799	-
	365,597	-	182,798	182,799	-
Total	$ 97,740,597	$ -	$ 5,627,798	$ 92,112,799	$ 2,548,765

General Obligation Bonds. The following table details the District's outstanding general obligation bonds as of June 30, 2024:

Debt Issue	Date Issued	Maturity Date	Interest Rates	Original Amount	Balance June 30, 2024
G.O. Bonds To Be Paid With Tax Levies:					
2012 Refunding	12/20/2012	9/1/2029	2.00 - 3.50%	$ 9,250,000	$ 1,185,000
2013 Refunding	3/21/2013	9/1/1930	2.00 - 3.50%	9,995,000	5,345,000
2014 Refunding	6/19/2014	9/1/2027	2.00 - 3.50%	9,745,000	5,105,000
2015 Refunding and Improvement	6/4/2015	9/1/2030	2.00 - 5.00%	19,615,000	1,705,000
2016 Refunding	1/6/2016	9/1/2028	2.00 - 4.00%	4,355,000	3,705,000
2016-B Refunding	6/29/2016	9/1/2026	2.00 - 3.00%	4,445,000	1,115,000
2018 Improvement	12/4/2018	9/1/2039	3.00 - 5.00%	51,560,000	1,735,000
2020 Refunding /2023 Converted	3/25/2020	9/1/2026	2.44%	1,265,000	615,000
2020-B Refunding	3/25/2020	9/1/2029	2.44%	7,145,000	7,145,000
2021 Refunding	3/25/2021	9/1/2039	.22% to 2.65%	38,215,000	36,115,000
2022 Refunding	4/28/2022	9/1/2035	2.49% to 3.05%	28,695,000	28,160,000
				$ 184,285,000	$ 91,930,000

NOTE 8 - Long-Term Debt (Continued)

The annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 5,655,000	$ 2,465,588	$ 8,120,588
2026	5,835,000	2,307,450	8,142,450
2027	6,020,000	2,122,983	8,142,983
2028	6,240,000	1,954,028	8,194,028
2029	6,320,000	1,637,235	7,957,235
2030 - 2034	27,500,000	6,197,509	33,697,509
2035 - 2039	31,360,000	2,768,529	34,128,529
2040	3,000,000	79,500	3,079,500
	$ 91,930,000	$ 19,532,821	$ 111,462,821

As of June 30, 2024, the remaining principal balance of outstanding debt issues previously defeased is $57,140,000. The principal and interest payments for these bonds will be paid by the trustee for the related escrow securities on the scheduled payment dates. This amount is not recorded in these financial statements.

Legal Debt Margin. The District is subject to the municipal finance laws of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible taxable property within the District, as certified to the County Clerk on the preceding August 25. The District obtained permission from the Kansas State Board of Education to issue bonds in excess of its statutory limit.

Finance Leases. The following table details the District's outstanding finance leases as of June 30, 2024:

Debt Issue	Date Issued	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2024
Finance Lease:					
Apple Computer Equipment	1/15/2022	1/15/2025	0.00%	$ 731,194	$ 182,799
				$ 731,194	$ 182,799

The annual debt service requirements to maturity for the finance leases are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 182,799	$ -	$ 182,799
	$ 182,799	$ -	$ 182,799

NOTE 9 - Statutory Violation

Actual exceeded budgetary expenditures in the At Risk (K-12) Fund, the Professional Development Fund, and the Bond and Interest Fund, which are violations of K.S.A. 79-2935.

NOTE 10 - Subsequent Events

On July 10, 2024, the District issued General Obligation Bonds, Series 2024, in the amount of $60,000,000. The bonds carry an interest rate ranging from 4.50%-5.50% and are scheduled to mature on September 1, 2049. Proceeds of the bonds will be used pay the costs to (a) construct, furnish and equip safety and security improvements to District facilities; (b) construct, furnish, and equip improvements, expansions and renovations to Basehor-Linwood High School; (c) construct, furnish, and equip improvements and expansions to the Early Learning Center; (d) construct, furnish, and equip other necessary renovations and improvements to District facilities.

UNIFIED SCHOOL DISTRICT NO. 458
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year Budget	Variance Over [Under]
General Funds						
General	$ 22,958,085	$ [1,868,326]	$ 838,224	$ 21,927,983	$ 21,927,983	$ -
Supplemental General	7,172,159	[376,155]	-	6,796,004	6,796,004	-
Special Purpose Funds:						
At Risk (K-12)	905,526	-	-	905,526	1,447,330	541,804
Bilingual Education	115,992	-	-	115,992	115,992	-
Virtual Education	736,623	-	-	736,623	736,623	-
Capital Outlay	5,447,500	-	-	5,447,500	4,510,083	[937,417]
Food Service	2,488,500	-	-	2,488,500	1,497,977	[990,523]
Professional Development	117,075	-	-	117,075	153,283	36,208
Parent Education	120,075	-	-	120,075	120,075	-
Special Education	7,252,963	-	-	7,252,963	6,494,100	[758,863]
Special Education Cooperative	11,231,006	-	-	11,231,006	10,015,532	[1,215,474]
Career and Postsecondary Education	732,712	-	-	732,712	515,517	[217,195]
KPERS Special Retirement Contribution	3,064,970	-	-	3,064,970	3,008,287	[56,683]
Gifts and Grants	301,000	-	-	301,000	142	[300,858]
Federal Funds	1,734,969	-	-	1,734,969	1,495,174	[239,795]
Bond and Interest Fund:						
Bond and Interest	7,993,765	-	-	7,993,765	7,994,015	250

UNIFIED SCHOOL DISTRICT NO. 458
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Mineral tax	$ 1	$ -	$ -	$ -
State Aid:				
General state aid	16,309,923	17,800,899	18,067,720	[266,821]
Special education services aid	2,990,251	3,288,860	4,890,365	[1,601,505]
Reimbursements and other	1,056,333	838,224	-	838,224
Total Receipts	20,356,508	21,927,983	$ 22,958,085	$ [1,030,102]
Expenditures				
Instruction	9,996,159	10,435,326	$ 16,031,473	$ [5,596,147]
Student support services	812,077	1,053,189	-	1,053,189
Instructional support staff	499,732	319,491	-	319,491
General administration	515,410	619,903	-	619,903
School administration	1,490,975	1,412,313	-	1,412,313
Central services	534,432	674,298	-	674,298
Operations and maintenance	976,143	532,147	-	532,147
Transportation	299,220	246,660	-	246,660
Community service operations	221,426	225,594	-	225,594
Transfers out	5,010,934	6,409,062	6,926,612	[517,550]
Adjustments to comply with legal max	-	-	[1,868,326]	1,868,326
Adjustments for qualifying budget credits	-	-	838,224	[838,224]
Total Expenditures	20,356,508	21,927,983	$ 21,927,983	$ -
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 458
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	$ 2,748,713	$ 2,761,291	$ 2,882,928	$ [121,637]
Delinquent taxes	25,856	37,393	6,767	30,626
Motor vehicle taxes	311,556	301,666	289,495	12,171
Recreational vehicle taxes	6,327	5,867	5,693	174
Commercial vehicle taxes	1,952	10,895	6,362	4,533
State Aid:				
Supplemental general state aid	3,101,862	3,251,888	3,431,878	[179,990]
Operating transfers	-	383,922	652,200	[268,278]
Total Receipts	6,196,266	6,752,922	$ 7,275,323	$ [522,401]
Expenditures				
Instruction	887,839	974,976	$ 4,596,362	$ [3,621,386]
Student support services	67,180	82,462	-	82,462
Instructional support services	45,770	50,698	-	50,698
General administration	1,200	1,000	-	1,000
School administration	76,515	114,951	-	114,951
Central services	25,110	41,800	-	41,800
Operations and maintenance	1,581,285	1,614,755	-	1,614,755
Vehicle operating services	958,041	937,566	-	937,566
Community service operations	35,140	30,818	-	30,818
Operating transfers	2,488,643	2,946,978	2,575,797	371,181
Adjustments to comply with legal max	-	-	[376,155]	376,155
Total Expenditures	6,166,723	6,796,004	$ 6,796,004	$ -
Receipts Over [Under] Expenditures	29,543	[43,082]		
Unencumbered Cash, Beginning	116,019	145,562		
Unencumbered Cash, Ending	$ 145,562	$ 102,480		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 458
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Operating Transfers	$ 1,111,121	$ 1,447,330	$ 905,526	$ 541,804
Total Receipts	1,111,121	1,447,330	$ 905,526	$ 541,804
Expenditures				
Instruction	1,111,121	1,447,330	$ 905,526	$ 541,804
Total Expenditures	1,111,121	1,447,330	$ 905,526	$ 541,804
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 458
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Operating transfers	$ 112,297	$ 115,992	$ 115,895	$ 97
Total Receipts	112,297	115,992	$ 115,895	$ 97
Expenditures				
Instruction	112,200	115,992	$ 115,992	$ -
Total Expenditures	112,200	115,992	$ 115,992	$ -
Receipts Over [Under] Expenditures	97	-		
Unencumbered Cash, Beginning	-	97		
Unencumbered Cash, Ending	$ 97	$ 97		

UNIFIED SCHOOL DISTRICT NO. 458
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Operating transfers	$ 525,853	$ 734,399	$ 734,399	$ -
Total Receipts	525,853	734,399	$ 734,399	$ -
Expenditures				
Instruction	475,912	508,032	$ 519,123	$ [11,091]
School administration	208,125	228,591	217,500	11,091
Total Expenditures	684,037	736,623	$ 736,623	$ -
Receipts Over [Under] Expenditures	[158,184]	[2,224]		
Unencumbered Cash, Beginning	160,409	2,225		
Prior Year Cancelled Encumbrances	-	20		
Unencumbered Cash, Ending	$ 2,225	$ 21		

UNIFIED SCHOOL DISTRICT NO. 458
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	$ 1,618,733	$ 1,623,063	$ 1,600,002	$ 23,061
Delinquent taxes	15,202	22,280	3,985	18,295
Motor vehicle taxes	189,405	189,740	172,046	17,694
Recreational vehicle taxes	3,843	3,489	3,383	106
Commercial vehicle taxes	1,194	6,459	3,781	2,678
Interest on idle funds	611,222	779,517	-	779,517
Reimbursements and other	753,750	-	-	-
State aid	672,953	640,136	640,168	[32]
Total Receipts	3,866,302	3,264,684	$ 2,423,365	$ 841,319
Expenditures				
Instruction	1,361,360	1,726,532	$ 2,535,000	$ [808,468]
Instructional support staff	350	-	1,000	[1,000]
Central services	-	404,441	-	404,441
Operations and maintenance	963,478	881,692	1,111,500	[229,808]
Architectural and engineering services	9,300	9,780	15,000	[5,220]
Site Improvement	670,528	1,487,638	750,000	737,638
Debt service:				
Principal	910,973	-	1,000,000	[1,000,000]
Interest	23,530	-	35,000	[35,000]
Total Expenditures	3,939,519	4,510,083	$ 5,447,500	$ [937,417]
Receipts Over [Under] Expenditures	[73,217]	[1,245,399]		
Unencumbered Cash, Beginning	3,251,268	3,178,051		
Prior Year Cancelled Encumbrances	-	287,980		
Unencumbered Cash, Ending	$ 3,178,051	$ 2,220,632		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 458
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
State food service aid	$ 11,495	$ 11,666	$ 17,800	$ [6,134]
Federal food service aid	568,586	525,392	1,120,650	[595,258]
Local receipts	757,990	772,767	1,310,250	[537,483]
Operating transfers	4,170	23,312	5,000	18,312
Total Receipts	1,342,241	1,333,137	$ 2,453,700	$ [1,120,563]
Expenditures				
Operation and maintenance	45,861	46,635	$ 53,000	$ [6,365]
Operation of noninstructional services	3,600	3,000	-	3,000
Food service operation	1,514,373	1,448,342	2,435,500	[987,158]
Total Expenditures	1,563,834	1,497,977	$ 2,488,500	$ [990,523]
Receipts Over [Under] Expenditures	[221,593]	[164,840]		
Unencumbered Cash, Beginning	388,689	167,096		
Unencumbered Cash, Ending	$ 167,096	$ 2,256		

UNIFIED SCHOOL DISTRICT NO. 458
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
State aid	$ 16,819	$ 17,641	$ 22,500	$ [4,859]
Operating transfers	35,000	69,398	35,000	34,398
Total Receipts	51,819	87,039	$ 57,500	$ 29,539
Expenditures				
Instructional support staff	121,567	153,283	117,075	36,208
Total Expenditures	121,567	153,283	$ 117,075	$ 36,208
Receipts Over [Under] Expenditures	[69,748]	[66,244]		
Unencumbered Cash, Beginning	135,992	66,244		
Unencumbered Cash, Ending	$ 66,244	$ -		

UNIFIED SCHOOL DISTRICT NO. 458
Parent Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
State aid	$ 44,034	$ 51,850	$ -	$ 51,850
Miscellaneous	-	3,182	25,000	[21,818]
Operating transfers	25,000	25,000	50,000	[25,000]
Total Receipts	69,034	80,032	$ 75,000	$ 5,032
Expenditures				
Instructional support staff	67,538	120,075	$ 120,075	$ -
Total Expenditures	67,538	120,075	$ 120,075	$ -
Receipts Over [Under] Expenditures	1,496	[40,043]		
Unencumbered Cash, Beginning	80,576	82,072		
Unencumbered Cash, Ending	$ 82,072	$ 42,029		

UNIFIED SCHOOL DISTRICT NO. 458
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Operating transfers	$ 5,029,547	$ 6,136,489	$ 7,000,000	$ [863,511]
Total Receipts	5,029,547	6,136,489	$ 7,000,000	$ [863,511]
Expenditures				
Instruction	2,362,901	3,288,860	$ 6,229,933	$ [2,941,073]
Student support services	1,948,679	2,149,825	-	2,149,825
Vehicle operating services	974,147	1,055,415	1,023,030	32,385
Total Expenditures	5,285,727	6,494,100	$ 7,252,963	$ [758,863]
Receipts Over [Under] Expenditures	[256,180]	[357,611]		
Unencumbered Cash, Beginning	592,237	336,057		
Prior Year Cancelled Encumbrances	-	24,541		
Unencumbered Cash, Ending	$ 336,057	$ 2,987		

UNIFIED SCHOOL DISTRICT NO. 458
Special Education Cooperative Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Federal aid:				
Special education grants to states	$ 3,231,209	$ 4,239,444	$ -	$ 4,239,444
Special education preschool grants	38,418	-	40,000	[40,000]
Medicaid	196,471	165,446	200,000	[34,554]
Payments from cooperative members	3,265,450	3,715,450	10,013,270	[6,297,820]
State aid flow through from members	1,633,596	1,851,695	950,931	900,764
Other revenue from local sources	12,000	42,013	12,000	30,013
Total Receipts	8,377,144	10,014,048	$ 11,216,201	$ [1,202,153]
Expenditures				
Instruction	5,947,490	6,670,464	$ 7,611,506	$ [941,042]
Student support services	2,333,531	2,787,798	2,916,500	[128,702]
General administration	485,609	556,141	625,500	[69,359]
Central services	49,889	-	54,000	[54,000]
Operations and maintenance	828	1,129	23,500	[22,371]
Total Expenditures	8,817,347	10,015,532	$ 11,231,006	$ [1,215,474]
Receipts Over [Under] Expenditures	[440,203]	[1,484]		
Unencumbered Cash, Beginning	472,291	32,088		
Prior Year Cancelled Encumbrances	-	72,301		
Unencumbered Cash, Ending	$ 32,088	$ 102,905		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 458
Carer and Post-Secondary Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
State aid	$ 3,557	$ 6,328	$ 1,350	$ 4,978
Operating transfers	656,589	477,827	656,589	[178,762]
Total Receipts	660,146	484,155	$ 657,939	$ [173,784]
Expenditures				
Instruction	702,024	515,517	$ 729,212	$ [213,695]
Instructional support staff	2,605	-	3,500	[3,500]
Total Expenditures	704,629	515,517	$ 732,712	$ [217,195]
Receipts Over [Under] Expenditures	[44,483]	[31,362]		
Unencumbered Cash, Beginning	75,845	31,362		
Unencumbered Cash, Ending	$ 31,362	$ -		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 458
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
State Aid:				
KPERS Employer Contributions	$ 2,786,336	$ 3,008,287	$ 3,064,970	$ [56,683]
Total Receipts	2,786,336	3,008,287	$ 3,064,970	$ [56,683]
Expenditures				
Instruction	1,804,887	1,996,028	$ 2,023,082	$ [27,054]
Student support services	350,756	399,802	375,000	24,802
Instructional support services	61,633	58,284	75,000	[16,716]
General administration	88,877	101,890	90,000	11,890
School administration	217,015	210,433	225,000	[14,567]
Central services	70,534	69,639	75,000	[5,361]
Operations and maintenance	122,553	118,411	135,000	[16,589]
Transportation	4,531	4,653	5,000	[347]
Food service	65,550	49,147	61,888	[12,741]
Total Expenditures	2,786,336	3,008,287	$ 3,064,970	$ [56,683]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 458
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Grants and donations	$ 108,957	$ 7,382	$ 250,000	$ [242,618]
Total Receipts	108,957	7,382	$ 250,000	$ [242,618]
Expenditures				
Instruction	101,219	142	$ 301,000	$ [300,858]
Total Expenditures	101,219	142	$ 301,000	$ [300,858]
Receipts Over [Under] Expenditures	7,738	7,240		
Unencumbered Cash, Beginning	47,991	55,729		
Prior Year Cancelled Encumbrances	-	301		
Unencumbered Cash, Ending	$ 55,729	$ 63,270		

UNIFIED SCHOOL DISTRICT NO. 458
Contingency Reserve Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2024 and 2023

	Prior Year Actual	Current Year Actual
Receipts		
Operating transfers	$ -	$ -
Total Receipts	-	-
Expenditures		
Instruction		
Operating transfers	-	383,922
Total Expenditures	-	383,922
Receipts Over [Under] Expenditures	-	[383,922]
Unencumbered Cash, Beginning	1,320,211	1,320,211
Unencumbered Cash, Ending	$ 1,320,211	$ 936,289

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 458
Textbook and Student Material Revolving Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2024 and 2023

	Prior Year Actual	Current Year Actual
Receipts		
Fees and other	$ 200,238	$ 197,616
Operating transfers	-	326,293
Total Receipts	200,238	523,909
Expenditures		
Instruction	518,197	651,614
Instructional support staff	1,330	1,242
Total Expenditures	519,527	652,856
Receipts Over [Under] Expenditures	[319,289]	[128,947]
Unencumbered Cash, Beginning	448,302	129,013
Unencumbered Cash, Ending	$ 129,013	$ 66

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 458
Federal Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024

	Title I	Title II-A
Receipts		
Federal aid	$ 151,824	$ 43,498
Total Receipts	151,824	43,498
Expenditures		
Instruction	148,924	43,498
Student support services	-	-
Instructional support staff	-	-
General administration	-	-
School administration	-	-
Central services	-	-
Operations and maintenance	-	-
Transportation	2,900	-
Community services operation	-	-
Food service operation	-	-
Total Expenditures	151,824	43,498
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

CARES Act	Title IV 21st Century	Actual	Budget	Variance Over [Under]
$ 1,366,072	$ 15,790	$ 1,577,184	$ 1,732,772	$ [155,588]
1,366,072	15,790	1,577,184	$ 1,732,772	$ [155,588]
1,169,207	15,725	1,377,354	$ 1,380,969	$ [3,615]
-	-	-	125,000	[125,000]
9,470	-	9,470	22,000	[12,530]
-	-	-	5,000	[5,000]
-	-	-	40,000	[40,000]
-	-	-	17,000	[17,000]
8,389	-	8,389	75,000	[66,611]
97,061	-	99,961	5,000	94,961
-	-	-	15,000	[15,000]
-	-	-	50,000	[50,000]
1,284,127	15,725	1,495,174	$ 1,734,969	$ [239,795]
81,945	65	82,010		
[81,945]	7	[81,938]		
$ -	$ 72	$ 72		

UNIFIED SCHOOL DISTRICT NO. 458
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	$ 5,471,439	$ 5,503,424	$ 5,413,339	$ 90,085
Delinquent taxes	48,619	73,218	13,486	59,732
Motor vehicle taxes	597,178	614,654	559,263	55,391
Recreational vehicle taxes	12,123	11,297	10,998	299
Commercial vehicle tax	3,751	21,211	12,290	8,921
Interest on idle funds	19,729	-	-	-
State aid	2,291,475	2,144,739	2,144,739	-
Operating transfers	-	3,647,487	-	3,647,487
Total Receipts	8,444,314	12,016,030	$ 8,154,115	$ 3,861,915
Expenditures				
Debt Service:				
Bond principal	5,280,000	5,445,000	$ 5,445,000	$ -
Bond interest	2,593,372	2,548,765	2,548,765	-
Bond fees	250	250	-	250
Total Expenditures	7,873,622	7,994,015	$ 7,993,765	$ 250
Receipts Over [Under] Expenditures	570,692	4,022,015		
Unencumbered Cash, Beginning	6,830,605	7,401,297		
Unencumbered Cash, Ending	$ 7,401,297	$ 11,423,312		

UNIFIED SCHOOL DISTRICT NO. 458
Special Assessment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Amounts for the Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	$ 17,000	$ 16,826	$ 16,736	$ 90
Delinquent taxes	198	253	41	212
Motor vehicle taxes	2,319	2,220	2,012	208
Recreational vehicle taxes	48	41	39	2
Commercial vehicle taxes	15	73	45	28
Total Receipts	19,580	19,413	$ 18,873	$ 540
Expenditures				
Principal	19,619	19,619	$ 19,619	$ -
Total Expenditures	19,619	19,619	$ 19,619	$ -
Receipts Over [Under] Expenditures	[39]	[206]		
Unencumbered Cash, Beginning	18,139	18,100		
Unencumbered Cash, Ending	$ 18,100	$ 17,894		

UNIFIED SCHOOL DISTRICT NO. 458
Bond Construction II Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Years Ended June 30, 2024 and 2023

	Prior Year Actual	Current Year Actual
Receipts		
Bond proceeds	$ 9,879	$ -
Total Receipts	9,879	-
Expenditures		
Central services	7,968	-
Building improvements	526,629	638,583
Land acquisition	-	5,834
Operating transfers	-	3,647,487
Total Expenditures	534,597	4,291,904
Receipts Over [Under] Expenditures	[524,718]	[4,291,904]
Unencumbered Cash, Beginning	4,808,324	4,286,920
Prior Year Cancelled Encumbrances	3,314	4,984
Unencumbered Cash, Ending	$ 4,286,920	$ -

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 458
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

FUND	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Basehor-Linwood High School				
Band	$ 9,879	$ 28,777	$ 31,268	$ 7,388
BLEF Grant	2,097	7,327	7,230	2,194
Cheerleaders	10,505	25,934	34,000	2,439
Chorus	840	3,654	3,771	723
Freshman Class	-	2,460	2,450	10
Sophomore Class	2,083	2,460	2,245	2,298
Junior Class	4,527	9,398	9,557	4,368
Senior Class	4,455	15,421	13,426	6,450
Counseling	1,564	618	1,638	544
Dance Squad	10,705	16,320	20,574	6,451
FBLA	6,633	5,633	9,766	2,500
FCCLA	490	4,312	4,198	604
Forensics	5,053	2,937	3,756	4,234
French Club	230	6,274	6,504	-
GR/Gold Threads	2	10,690	7,823	2,869
Green House	2,412	-	-	2,412
GSA	309	-	-	309
Innov Academy	4,159	5,877	4,116	5,920
International Club	251	2,615	2,197	669
JAG	2,517	-	-	2,517
Language Arts Club	380	-	27	353
Leadership	80	-	-	80
Marketing	95	-	-	95
Math Club	45	-	-	45
National Honor Society	719	1,408	2,073	54
Principal's Advisory	23,727	26,349	18,010	32,066
Rebel	27	-	-	27
Robotics	1	12,692	9,641	3,052
SADD	723	-	-	723
School Store	210	9,162	9,049	323
Scholars Bowl	56	90	90	56
Science Club	921	-	-	921
Science Olympiad	310	-	-	310
Spirit Club	145	-	-	145
Strings	215	271	271	215
Student Council	9,168	3,545	3,786	8,927
UCS	2,841	-	-	2,841
TSA	4,509	7,384	5,428	6,465
HOSA	3,479	1,931	1,693	3,717
Mass Production	1,134	2,814	631	3,317
Theater	9,432	13,438	13,973	8,897
ED Rising	533	140	596	77
Total Basehor-Linwood High School	127,461	229,931	229,787	127,605

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 458
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

FUND	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Basehor-Linwood Middle School				
Band	$ 1,036	$ 800	$ 1,691	$ 145
BLEF Grant	7,226	3,756	3,009	7,973
Cheerleading	68	3,504	2,279	1,293
Chorus	20	1,100	506	614
Dance Squad	2,859	2,843	2,820	2,882
Hardship	1,281	-	-	1,281
Heartland Grant	2,329	2,000	-	4,329
Library	1,104	-	-	1,104
Pop Machine	783	903	1,008	678
Principal's Advisory Club	8,923	38,136	38,102	8,957
Social Committee	96	30	126	-
Student Council	4,433	7,704	2,735	9,402
Theater	4,050	3,914	4,976	2,988
Yearbook/Journal	4,398	11,165	11,609	3,954
Total Basehor-Linwood Middle School	38,606	75,855	68,861	45,600
Basehor Intermediate School				
BLEF Grant	315	1,610	928	997
O.W.L.S	207	-	-	207
Principal Advisory	39,923	27,546	31,967	35,502
School Shirts	1,893	1,702	3,107	488
Social Committee	21	265	60	226
Student Council	711	1,411	918	1,204
Technology	134	-	45	89
Total Basehor Intermediate School	43,204	32,534	37,025	38,713
Basehor Elementary School				
Principal's Activities	15,665	6,788	12,422	10,031
OWLS	439	-	119	320
Social Committee	516	325	338	503
Student Council	261	779	915	125
Total Basehor Elementary School	16,881	7,892	13,794	10,979

UNIFIED SCHOOL DISTRICT NO. 458
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

FUND	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Glenwood Ridge Elementary School				
1st Grade	$ 356	$ 1,285	$ 1,277	$ 364
2nd Grade	253	913	735	431
3rd Grade	963	1,176	1,036	1,103
4th Grade	481	1,140	1,036	585
5th Grade	53	900	900	53
BLEF Grant	87	700	700	87
Kindergarten	191	1,693	1,758	126
O.W.L.S	256	-	220	36
Library	2,355	3,117	1,678	3,794
Principal's Advisory	11,270	7,190	7,965	10,495
Social/Flower Fund	[137]	625	486	2
Student Council	827	719	130	1,416
Student Hardship Grant	5,497	30	98	5,429
Student Planner	1,505	265	1,211	559
Total Glenwood Ridge Elementary School	23,957	19,753	19,230	24,480
Linwood Elementary School				
Accelerated Reader	4	-	-	4
BLEF Grant	628	4,158	3,580	1,206
Library	257	177	221	213
Principal's Advisory	12,058	19,206	19,714	11,550
Student Recognition	62	-	-	62
Student Council	57	-	-	57
Total Linwood Elementary School	13,066	23,541	23,515	13,092
Gray Hawk Elementary School				
BLEF Grant	542	5,239	4,652	1,129
Principals Advisory	10,929	4,545	5,676	9,798
Social Committee	94	585	316	363
Student Council	106	-	-	106
Total Gray Hawk Elementary School	11,671	10,369	10,644	11,396
Total Agency Funds	$ 274,846	$ 399,875	$ 402,856	$ 271,865

See independent auditor's report on the financial statements.

SCHEDULE 4

UNIFIED SCHOOL DISTRICT NO. 458
District Activities - Gate Receipts and School Project Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

FUND	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts:						
Basehor-Linwood High School	$ 113,588	$ 389,681	$ 368,494	$ 134,775	$ -	$ 134,775
Basehor-Linwood Middle School	8,151	24,260	27,418	4,993	-	4,993
Total Gate Receipts	121,739	413,941	395,912	139,768	-	139,768
School Projects:						
Basehor-Linwood High School	58,367	283,672	268,373	73,666	-	73,666
Total Basehor-Linwood High School	58,367	283,672	268,373	73,666	-	73,666
Basehor-Linwood Middle School	3,546	138,203	127,965	13,784	-	13,784
Total Basehor-Linwood Middle School	3,546	138,203	127,965	13,784	-	13,784
Basehor Intermediate School	8,588	36,108	35,414	9,282	-	9,282
Total Basehor Intermediate School	8,588	36,108	35,414	9,282	-	9,282
Basehor Elementary School	8,385	31,547	29,751	10,181	-	10,181
Total Basehor Elementary School	8,385	31,547	29,751	10,181	-	10,181
Glenwood Ridge Elementary School	6,927	30,794	34,270	3,451	-	3,451
Total Glenwood Ridge Elementary School	6,927	30,794	34,270	3,451	-	3,451
Linwood Elementary School	3,664	31,135	29,307	5,492	-	5,492
Total Linwood Elementary School	3,664	31,135	29,307	5,492	-	5,492
Gray Hawk Elementary School	1,868	37,159	34,912	4,115	-	4,115
Total Gray Hawk Elementary School	1,868	37,159	34,912	4,115	-	4,115
Total School Projects	91,345	588,618	559,992	119,971	-	119,971
Total District Activity Funds	$ 213,084	$ 1,002,559	$ 955,904	$ 259,739	$ -	$ 259,739

UNIFIED SCHOOL DISTRICT NO. 458
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
U.S. Department of Education					
Passed Through State Department of Education:					
Special Education (IDEA) Cluster					
Special Education Grants to States	84.027	$ -	$ 932,720	$ 932,720	$ -
Special Education - Preschool Grants	84.173	-	17,864	17,864	-
Total Special Education (IDEA) Cluster			950,584	950,584	
Title I Grants to Local Educational Agencies	84.010	-	151,824	151,824	-
Improving Teacher Quality State Grants	84.367	-	43,498	43,498	-
Student Support & Academic Enrichment Program	84.424	7	13,600	15,725	[2,118]
Education Stabilization Fund	84.425	[81,945]	1,366,072	1,284,127	-
Total U.S. Department of Education			2,525,578	2,445,758	
U.S. Department of Agriculture					
Passed Through State Department of Education:					
Child Nutrition Cluster					
School Breakfast Program	10.553	-	73,023	73,023	-
National School Lunch Program	10.555	-	371,348	371,348	-
Summer Food Service Program for Children	10.559	-	64,991	64,991	-
Total Child Nutrition Cluster			509,362	509,362	
Local Food for Schools	10.185	-	16,030	16,030	-
Total U.S. Department of Agriculture			525,392	525,392	
Total Expenditures of Federal Awards			$ 3,050,970	$ 2,971,150	

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 458

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

1. Organization

Unified School District No. 458, Basehor, Kansas (the District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

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

3. Local Government Contributions

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

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position as of June 30, 2024.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants as of June 30, 2024.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

UNIFIED SCHOOL DISTRICT NO. 458
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

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__ None reported
Noncompliance material to financial statements 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__ None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	____ Yes __X__ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	____ Yes __X__ No

See independent auditor's report on the financial statements.

Section II - Financial Statement Findings

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

None Noted.

UNIFIED SCHOOL DISTRICT NO. 458
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024

Section II - Financial Statement Findings

Prior Year Findings

Finding Number: 2023-001

Finding Summary: The District maintains financial records which accurately report revenues and expenditures throughout the year and prepares year end adjusting entries necessary to prepare the financial statements in accordance with accounting practices prescribed or permitted by the State of Kansas and the schedule of expenditures of federal awards in accordance with the Uniform Guidance. However, the District relies on the assistance of the auditor to prepare the financial statement, related notes, regulatory-required supplementary information, and the schedule of expenditures of federal awards.

Status: Implemented

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None Noted.

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

Board of Education
Unified School District No. 458
Basehor, Kansas

We have audited, 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*, the financial statements of Unified School District No. 458 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 3, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 statements, 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 controls 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements 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 charge with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

October 3, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Unified School District No. 458
Basehor, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of Unified School District No. 458, Basehor, Kansas (the District), 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 the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District 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, 2024.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 each 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 requirement 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 grants 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 of 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 GAAS, *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 judgement made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement 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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

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 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 the 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 the internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the District as of and for the year ended June 30, 2024, and have issued our report thereon dated October 3, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements 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 financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

October 3, 2024