UNIFIED SCHOOL DISTRICT NO. 263
MULVANE, KANSAS

FINANCIAL STATEMENT
JUNE 30, 2023

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UNIFIED SCHOOL DISTRICT NO. 263
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INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 263
Mulvane, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **Unified School District No. 263, Mulvane, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement.

Adverse and Unmodified Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America
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 **Unified School District No. 263, Mulvane, Kansas**, 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 **Unified School District No. 263, Mulvane, Kansas**, 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* 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of the report. We are required to be independent of **Unified School District No. 263, Mulvane, Kansas** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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Matter Giving Rise to Adverse Opinion on Accounting Principles Generally Accepted in the United State of America
As discussed in Note 1 of the financial statement, the financial statement is prepared by **Unified School District No. 263, Mulvane, Kansas**, on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of 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 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 **Unified School District No. 263, Mulvane, Kansas'** ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 **Unified School District No. 263, Mulvane, Kansas'** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the **Unified School District No. 263, Mulvane, Kansas'** ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, agency funds schedules of regulatory basis cash receipts and disbursements, and district activity funds schedules of regulatory basis cash receipts, expenditures, and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. 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

accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

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 No. 263, Mulvane, Kansas**, as of and for the year ended June 30, 2022, and have issued our report thereon dated November 29, 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: https://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 (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. 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 Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2024, on our consideration of **Unified School District No. 263, Mulvane, Kansas'** 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 **Unified School District No. 263, Mulvane, Kansas'** 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 No. 263, Mulvane, Kansas'** internal control over financial reporting and compliance.

BFR CPA, LLC

BFR CPA, LLC
February 29, 2024

UNIFIED SCHOOL DISTRICT NO. 263
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 0	$ 0	$ 12,662,672	$ 12,662,672	$ 0	$ 0	$ 0
Special Purpose Funds							
Supplemental General	132,522	0	4,350,780	4,224,062	259,240	0	259,240
Preschool-Aged At-Risk	0	0	87,959	87,959	0	0	0
At Risk (K-12)	0	0	1,900,109	1,784,732	115,377	0	115,377
Bilingual Education	0	0	22,083	22,083	0	0	0
Capital Outlay	1,882,831	0	1,952,933	2,071,969	1,763,795	0	1,763,795
Driver Training	62,515	0	16,944	15,956	63,503	0	63,503
Food Service	638,030	0	1,174,557	1,162,649	649,938	0	649,938
Professional Development	25,030	0	35,995	27,320	33,705	0	33,705
Parent Education	565	0	35,637	35,137	1,065	0	1,065
Special Education	1,200,001	0	3,675,949	3,675,949	1,200,001	0	1,200,001
Career and Postsecondary Education	88,204	0	455,318	442,965	100,557	0	100,557
Historical Museum	14,752	0	111,703	97,580	28,875	0	28,875
Recreation Commission	15,253	0	704,551	683,000	36,804	0	36,804
Recreation Commission Employee Benefits	49,079	0	98,394	96,184	51,289	0	51,289
KPERS Contribution	0	0	2,015,294	2,015,294	0	0	0
Federal Funds	(664,523)	0	1,626,970	1,175,707	(213,260)	0	(213,260)
Gifts and Grants	64,438	0	129,792	130,749	63,481	0	63,481
Contingency Reserve	1,146,903	0	0	0	1,146,903	0	1,146,903
Textbook & Student Material Revolving	228,127	0	383,808	179,283	432,652	0	432,652
District Activity Funds	24,228	0	173,798	164,740	33,286	0	33,286
Bond & Interest Fund	2,356,790	0	2,180,135	2,197,750	2,339,175	0	2,339,175
	$ 7,264,745	$ 0	$ 33,795,381	$ 32,953,740	$ 8,106,386	$ 0	$ 8,106,386

Composition of Cash:		
	Checking Accounts	$ 4,845,569
	Money Market Accounts	3,817,329
		8,662,898
	Agency Funds	(556,512)
		$ 8,106,386

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

UNIFIED SCHOOL DISTRICT NO. 263
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Unified School District No. 263 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Mulvane, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

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

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

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

Agency Funds-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.).

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

The 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 accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and bond & interest 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
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 municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no amendments for the year ended June 30, 2023.

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

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

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

Federal Funds
Contingency Reserve Fund
District Activity Funds
Gifts and Grants Fund
Textbook & Student Material Revolving Fund

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 - Defined Benefit Pension Plan:

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

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

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. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual paymentsof $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 SenateBill 25 from the 2019 Legislative session authorized additional 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 rates 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 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 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 for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $2,015,294 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 $18,493,037. 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 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, 2022. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 3 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

	Transfer to:									
Transfer from:	Preschool-Aged At-Risk	At Risk (K-12)	Bilingual Education	Food Service	Professional Development	Parent Education	Special Education	Career and Postsecondary Education	Textbook & Student Material	Total
General Fund	$ 87,959	$ 1,417,940	$ 18,281	$ 0	$ 0	$ 0	$ 2,475,508	$ 355,318	$ 0	$ 4,355,006
Supplemental General Fund	0	471,828	3,802	8,827	32,290	11,712	588,739	100,000	179,053	1,396,251
	$ 87,959	$ 1,889,768	$ 22,083	$ 8,827	$ 32,290	$ 11,712	$ 3,064,247	$ 455,318	$ 179,053	$ 5,751,257

Note 4 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

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; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 5 - Reimbursed Expenditures:

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

Note 6 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

Vacation
Twelve-month non-teacher personnel are provided vacation ranging from 2 to 4 weeks based on years of service. All earned vacation time is to be taken from July 1 to June 30 of each fiscal year and cannot be accumulated or carried forward.

Personal Leave
All classified employees who work at least 20 hours per week start each school year with 7 to 10 days of personal leave with full pay and may carry over a total of 5 days. All certified staff will be granted 10 days of personal leave with full pay and can carry over a total of 10 days into an accumulated sick leave account with an accumulated total of not more than 80 days. Twelve-month administrators and directors start each school year with 30 days of personal leave with full pay and may carry over 15 days of personal leave. Ten and a half month building administrators start each school year with 20 days of personal leave with full pay and may carry over 10 days of personal leave. Terminated or retiring classified staff and administrators are compensated for their unused personal leave at a rate of $8.00 per hour. Terminated or retiring certified staff are compensated for their unused personal leave at a rate of $12.00 per day. The accumulated sick leave carried by employees as of July 1, 2008, will be carried forward in a sick leave reserve account that will be paid at the rate of $12.00 per day upon retirement. Personal leave will be used before the sick leave reserve unless there is five consecutive days of absence. Classified staff can use sick leave reserve for bereavement or after 3 days of personal illness if accompanied by a note from a doctor. For financial statement purposes, personal leave is recognized when paid.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Note 7 - Postemployment 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 the 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.

Note 8 - Deposits:

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 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%. All deposits were legally secured at June 30, 2023.

At June 30, 2023, the District's carrying amount of deposits was $8,662,898 and the bank balance was $10,730,651. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance and the remaining $10,480,651 was collateralized with securities held by the pledging financial institution's agent in the District's name.

Note 9 - Lease Agreements:

As of June 30, 2023, the District received lease payments from one entity. The following is a list of the property, terms, and payment amounts for this lease:

Entity	Term of Lease	Payment per Month
Mulvane Recreation Commission	135 month term	$8,650

Note 10 - Subsequent Events:

The District has evaluated subsequent events through February 29, 2024, the date which the financial statement was available to be issued.

Note 11 - Long-Term Debt:

Principal payments are due annually for general obligation bonds. Interest payments are due semi-annually.

Terms for long-term liabilities for the District for the year ended June 30, 2023, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2012 Series	2.50	8/1/2012	$ 20,755,000	9/1/2025
Capital Outlay Series 2022	4.00	6/1/2022	$ 995,000	6/1/2027
Capital Leases				
Energy Equipment	4.189	6/29/2011	$ 1,185,832	6/29/2023

Changes in long-term liabilities for the District for the year ended June 30, 2023, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2012 Series	$ 7,215,000	$ 0	$ 2,030,000	$ 5,185,000	$ 167,750
Capital Outlay Series 2022	995,000	0	195,000	800,000	39,800
	8,210,000	0	2,225,000	5,985,000	207,550
Capital Leases					
Energy Equipment	122,865	0	122,865	0	3,873
	$ 8,332,865	$ 0	$ 2,347,865	$ 5,985,000	$ 211,423

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

	Principal	Interest	Total Principal and Interest
2024	$ 2,295,000	$ 148,562	$ 2,443,562
2025	2,290,000	87,625	2,377,625
2026	1,200,000	28,500	1,228,500
2027	200,000	8,000	208,000
	$ 5,985,000	$ 272,687	$ 6,257,687

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 263
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	$ 12,906,352	$ (251,508)	$ 7,828	$ 12,662,672	$ 12,662,672	$ 0
Special Purpose Funds						
Supplemental General	4,306,372	(82,310)	0	4,224,062	4,224,062	0
Preschool-Aged At-Risk	150,000	0	0	150,000	87,959	(62,041)
At Risk (K-12)	1,784,732	0	0	1,784,732	1,784,732	0
Bilingual Education	43,100	0	0	43,100	22,083	(21,017)
Capital Outlay	3,547,504	0	0	3,547,504	2,071,969	(1,475,535)
Driver Training	76,015	0	0	76,015	15,956	(60,059)
Food Service	1,954,440	0	0	1,954,440	1,162,649	(791,791)
Professional Development	48,785	0	0	48,785	27,320	(21,465)
Parent Education	50,000	0	0	50,000	35,137	(14,863)
Special Education	4,120,115	0	0	4,120,115	3,675,949	(444,166)
Career and Postsecondary Education	569,661	0	0	569,661	442,965	(126,696)
Historical Museum	97,580	0	0	97,580	97,580	0
Recreation Commission	683,000	0	0	683,000	683,000	0
Recreation Commission Employee Benefits	96,184	0	0	96,184	96,184	0
KPERS Contribution	2,604,410	0	0	2,604,410	2,015,294	(589,116)
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	1,175,707	XXXXXXXXXX
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	130,749	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Textbook & Student Material Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	179,283	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	164,740	XXXXXXXXXX
Bond & Interest Fund	2,197,750	0	0	2,197,750	2,197,750	0
	$ 35,236,000	$ (333,818)	$ 7,828	$ 34,910,010	$ 32,953,740	$ (3,606,749)

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 4,725	$ 7,828	$ 0	$ 7,828
State Sources	12,059,596	12,654,844	12,906,352	(251,508)
	12,064,321	12,662,672	$ 12,906,352	$ (243,680)
Expenditures				
Instruction	5,874,446	5,800,389	$ 6,220,600	$ (420,211)
Student Support Services	322,580	291,263	346,100	(54,837)
Instructional Support Staff	255,988	275,178	215,400	59,778
General Administration	369,706	381,612	390,500	(8,888)
School Administration	1,011,328	1,036,563	1,032,100	4,463
Central Services	166,142	173,396	171,400	1,996
Student Transportation Services	314,945	349,265	335,900	13,365
Transfers	3,749,186	4,355,006	4,194,352	160,654
Adjustment to Comply with Legal Max	0	0	(251,508)	251,508
Adjustment for Qualifying Budget Credits	0	0	7,828	(7,828)
	12,064,321	12,662,672	$ 12,662,672	$ 0
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Supplemental General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,572,405	$ 2,191,021	$ 1,972,049	$ 218,972
County Sources	209,842	168,536	171,776	(3,240)
State Sources	1,909,824	1,991,223	2,030,024	(38,801)
	3,692,071	4,350,780	$ 4,173,849	$ 176,931
Expenditures				
Instruction	371,139	349,675	$ 432,000	$ (82,325)
Student Support Services	0	1,418	0	1,418
General Administration	62,700	69,927	64,000	5,927
School Administration	797	7,734	1,500	6,234
Central Services	432,546	397,521	378,000	19,521
Operations & Maintenance	1,853,811	2,001,536	1,940,000	61,536
Transfers	1,258,637	1,396,251	1,490,872	(94,621)
Adjustment to Comply with Legal Max	0	0	(82,310)	82,310
	3,979,630	4,224,062	$ 4,224,062	$ 0
Receipts Over (Under) Expenditures	(287,559)	126,718		
Unencumbered Cash, Beginning	420,081	132,522		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 132,522	$ 259,240		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Preschool-Aged At-Risk Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 102,632	$ 87,959	$ 150,000	$ (62,041)
	102,632	87,959	$ 150,000	$ (62,041)
Expenditures				
Instruction	102,632	87,959	$ 150,000	$ (62,041)
	102,632	87,959	$ 150,000	$ (62,041)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

At Risk (K-12) Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 8,470	$ 10,341	$ 212,000	$ (201,659)
Transfers	1,481,132	1,889,768	1,572,732	317,036
	1,489,602	1,900,109	$ 1,784,732	$ 115,377
Expenditures				
Instruction	1,312,820	1,605,649	$ 1,597,732	$ 7,917
Student Support Services	176,782	179,083	187,000	(7,917)
	1,489,602	1,784,732	$ 1,784,732	$ 0
Receipts Over (Under) Expenditures	0	115,377		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 115,377		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Bilingual Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 0	$ 0	$ 20,000	$ (20,000)
Transfers	21,600	22,083	23,100	(1,017)
	21,600	22,083	$ 43,100	$ (21,017)
Expenditures				
Instruction	21,600	22,083	$ 43,100	$ (21,017)
	21,600	22,083	$ 43,100	$ (21,017)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Capital Outlay Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,938,117	$ 1,406,935	$ 1,114,971	$ 291,964
County Sources	96,148	100,920	103,135	(2,215)
State Sources	398,945	445,078	446,567	(1,489)
	2,433,210	1,952,933	$ 1,664,673	$ 288,260
Expenditures				
Instruction	58,445	36,452	$ 533,969	$ (497,517)
General Administration	1,238	313	5,000	(4,687)
Central Services	353,246	612,484	800,000	(187,516)
Operations & Maintenance	490,252	648,060	589,895	58,165
Transportation	90,841	345,329	307,000	38,329
Facility Acquisition & Construction Services	1,362,171	67,792	970,000	(902,208)
Debt Service	126,739	361,539	341,640	19,899
	2,482,932	2,071,969	$ 3,547,504	$ (1,475,535)
Receipts Over (Under) Expenditures	(49,722)	(119,036)		
Unencumbered Cash, Beginning	1,932,553	1,882,831		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 1,882,831	$ 1,763,795		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Driver Training Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 8,157	$ 9,804	$ 0	$ 9,804
State Sources	8,540	7,140	13,500	(6,360)
	16,697	16,944	$ 13,500	$ 3,444
Expenditures				
Instruction	17,348	14,550	$ 74,015	$ (59,465)
Vehicle Operations, Maintenance Services	706	1,406	2,000	(594)
	18,054	15,956	$ 76,015	$ (60,059)
Receipts Over (Under) Expenditures	(1,357)	988		
Unencumbered Cash, Beginning	63,872	62,515		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 62,515	$ 63,503		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Food Service Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 60,383	$ 418,733	$ 453,178	$ (34,445)
State Sources	9,319	9,028	9,336	(308)
Federal Sources	1,278,450	737,969	1,061,396	(323,427)
Transfers	2,201	8,827	2,500	6,327
	1,350,353	1,174,557	$ 1,526,410	$ (351,853)
Expenditures				
Operations & Maintenance	62,423	105,697	$ 162,000	$ (56,303)
Food Service Operation	1,106,007	1,056,952	1,792,440	(735,488)
	1,168,430	1,162,649	$ 1,954,440	$ (791,791)
Receipts Over (Under) Expenditures	181,923	11,908		
Unencumbered Cash, Beginning	456,107	638,030		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 638,030	$ 649,938		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Professional Development Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 7,886	$ 0	$ 0	$ 0
State Sources	0	3,705	3,755	(50)
Transfers	0	32,290	20,000	12,290
	7,886	35,995	$ 23,755	$ 12,240
Expenditures				
Instructional Support Staff	28,196	27,320	$ 48,785	$ (21,465)
	28,196	27,320	$ 48,785	$ (21,465)
Receipts Over (Under) Expenditures	(20,310)	8,675		
Unencumbered Cash, Beginning	45,340	25,030		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 25,030	$ 33,705		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Parent Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,000	$ 500	$ 12,435	$ (11,935)
State Sources	23,574	23,425	25,000	(1,575)
Transfers	11,787	11,712	12,000	(288)
	36,361	35,637	$ 49,435	$ (13,798)
Expenditures				
Student Support Services	33,563	35,137	$ 38,235	$ (3,098)
Instructional Support Staff	2,233	0	11,765	(11,765)
	35,796	35,137	$ 50,000	$ (14,863)
Receipts Over (Under) Expenditures	565	500		
Unencumbered Cash, Beginning	0	565		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 565	$ 1,065		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Special Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 62,807	$ 89,194	$ 50,000	$ 39,194
Federal Sources	564,282	522,508	553,086	(30,578)
Transfers	2,962,749	3,064,247	3,186,152	(121,905)
	3,589,838	3,675,949	$ 3,789,238	$ (113,289)
Expenditures				
Instruction	2,582,276	2,646,524	$ 2,923,515	$ (276,991)
Student Support Services	681,170	707,683	740,150	(32,467)
Instructional Support Staff	31,260	13,910	33,550	(19,640)
General Administration	215,951	206,715	228,700	(21,985)
Student Transportation Services	86,891	101,117	194,200	(93,083)
	3,597,548	3,675,949	$ 4,120,115	$ (444,166)
Receipts Over (Under) Expenditures	(7,710)	0		
Unencumbered Cash, Beginning	1,207,711	1,200,001		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 1,200,001	$ 1,200,001		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Career and Postsecondary Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 425,722	$ 455,318	$ 481,457	$ (26,139)
	425,722	455,318	$ 481,457	$ (26,139)
Expenditures				
Instruction	437,518	442,965	$ 563,161	$ (120,196)
School Administration	0	0	6,500	(6,500)
	437,518	442,965	$ 569,661	$ (126,696)
Receipts Over (Under) Expenditures	(11,796)	12,353		
Unencumbered Cash, Beginning	100,000	88,204		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 88,204	$ 100,557		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Historical Museum Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 70,981	$ 103,677	$ 94,848	$ 8,829
County Sources	9,280	8,026	8,142	(116)
	80,261	111,703	$ 102,990	$ 8,713
Expenditures				
Community Services Operations	87,522	97,580	$ 97,580	$ 0
	87,522	97,580	$ 97,580	$ 0
Receipts Over (Under) Expenditures	(7,261)	14,123		
Unencumbered Cash, Beginning	22,013	14,752		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 14,752	$ 28,875		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Recreation Commission Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 578,162	$ 629,516	$ 600,571	$ 28,945
County Sources	69,345	75,035	67,819	7,216
	647,507	704,551	$ 668,390	$ 36,161
Expenditures				
Community Service Operations	786,000	683,000	$ 683,000	$ 0
	786,000	683,000	$ 683,000	$ 0
Receipts Over (Under) Expenditures	(138,493)	21,551		
Unencumbered Cash, Beginning	153,746	15,253		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 15,253	$ 36,804		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Recreation Commission Employee Benefits Fund

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 119,599	$ 98,281	$ 83,937	$ 14,344
County Sources	402	113	11,934	(11,821)
	120,001	98,394	$ 95,871	$ 2,523
Expenditures				
Community Service Operations	92,404	96,184	$ 96,184	$ 0
	92,404	96,184	$ 96,184	$ 0
Receipts Over (Under) Expenditures	27,597	2,210		
Unencumbered Cash, Beginning	21,482	49,079		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 49,079	$ 51,289		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

KPERS Contribution Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 2,003,392	$ 2,015,294	$ 2,604,410	$ (589,116)
	2,003,392	2,015,294	$ 2,604,410	$ (589,116)
Expenditures				
Instruction	533,014	536,917	$ 599,014	$ (62,097)
Student Support Services	350,705	351,705	416,705	(65,000)
Instructional Support Staff	126,264	127,264	156,264	(29,000)
General Administration	148,352	149,352	208,352	(59,000)
School Administration	250,660	251,660	390,660	(139,000)
Central Services	90,220	91,220	130,220	(39,000)
Operations & Maintenance	234,617	235,617	364,617	(129,000)
Student Transportation Services	98,176	99,176	104,176	(5,000)
Food Service Operation	171,384	172,383	234,402	(62,019)
	2,003,392	2,015,294	$ 2,604,410	$ (589,116)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH 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)

Bond & Interest Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,306,225	$ 1,169,830	$ 1,156,605	$ 13,225
County Sources	134,837	153,182	154,742	(1,560)
State Sources	783,788	857,123	857,123	0
	2,224,850	2,180,135	$ 2,168,470	$ 11,665
Expenditures				
Debt Service	2,177,188	2,197,750	$ 2,197,750	$ 0
	2,177,188	2,197,750	$ 2,197,750	$ 0
Receipts Over (Under) Expenditures	47,662	(17,615)		
Unencumbered Cash, Beginning	2,309,128	2,356,790		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 2,356,790	$ 2,339,175		

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Federal Funds

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	$ 1,200,375	$ 1,626,970
	1,200,375	1,626,970
Expenditures		
Instruction	316,963	313,900
Student Support Services	124,540	135,940
Instructional Support Staff	30,215	10,904
School Administration	1,323	1,500
Operations & Maintenance	1,124,604	713,463
	1,597,645	1,175,707
Receipts Over (Under) Expenditures	(397,270)	451,263
Unencumbered Cash, Beginning	(267,253)	(664,523)
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ (664,523)	$ (213,260)

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 63,918	$ 84,792
State Sources	24,307	0
Federal Sources	22,500	45,000
	110,725	129,792
Expenditures		
Instruction	108,114	130,749
	108,114	130,749
Receipts Over (Under) Expenditures	2,611	(957)
Unencumbered Cash, Beginning	61,827	64,438
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 64,438	$ 63,481

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	$ 0	$ 0
	0	0
Expenditures		
General Administration	0	0
	0	0
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	1,146,903	1,146,903
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 1,146,903	$ 1,146,903

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Textbook & Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 219,183	$ 204,755
Transfers	0	179,053
	219,183	383,808
Expenditures		
Instruction	650,402	153,640
Central Services	10,861	25,643
	661,263	179,283
Receipts Over (Under) Expenditures	(442,080)	204,525
Unencumbered Cash, Beginning	670,207	228,127
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 228,127	$ 432,652

UNIFIED SCHOOL DISTRICT NO. 263
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Mulvane High School				
Athletic Fund Raising	$ 8,382	$ 887	$ 5,974	$ 3,295
Community Support Network	844	0	0	844
Sales Tax	0	18,314	18,314	0
Refund	0	855	855	0
Booster Club Donations	2,282	0	495	1,787
Baseball	5,429	8,142	5,671	7,900
Basketball - Girls	1,725	6,097	3,216	4,606
Basketball - Boys	3,856	6,075	3,489	6,442
Bowling Club	365	1,075	131	1,309
Cheerleading Club	14,177	32,618	36,850	9,945
Cross Country - MHS	2,115	173	313	1,975
Flag Team	2,663	337	2,389	611
Football	11,826	18,028	15,874	13,980
Golf - Boys Club	117	550	351	316
Golf - Girls Club	437	1,216	728	925
Klassy Kat Dance Club	1,206	6,286	7,491	1
Soccer - Boys	4,313	407	629	4,091
Soccer - Girls	3,366	613	716	3,263
Softball	2,267	6,612	5,248	3,631
Track and Field	1,781	686	1,042	1,425
Volleyball	692	789	1,320	161
Wrestling	1,005	2,131	1,261	1,875
Band/Percussion Club	3,297	405	583	3,119
Class of 2023	1,115	0	1,115	0
Class of 2024	41	0	34	7
Class of 2025	203	0	0	203
Jr ClassService Project	27	8,676	7,564	1,139
Debate/Forensics/NFL	0	1,324	296	1,028
Future Business Leaders of America	2,110	4,049	5,157	1,002
FCCLA	168	2,660	2,612	216
FFA	16,063	56,235	64,447	7,851
Circle of Friends	493	0	0	493
Kay Club	947	1,755	1,126	1,576
KCAT	270	0	0	270
	93,582	186,995	195,291	85,286

UNIFIED SCHOOL DISTRICT NO. 263
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Mulvane High School (continued)				
National Honor Society	492	1,360	1,580	272
Rowdie Crowd Pep Club	616	1,714	2,281	49
SADD/RAD Club	1,842	2,521	1,154	3,209
Scholars Bowl	521	406	540	387
Sch Newspaper Club (Cat Tracks)	23	0	0	23
Skills USA	4,285	4,815	504	8,596
Student Council	987	5,151	6,138	0
Thespians	2,383	7,763	9,169	977
Vocal Music/Espirit Club	2,881	3,841	5,518	1,204
Wildcat Café	1,398	93	48	1,443
Yearbook Club	2,406	20,718	12,187	10,937
	111,416	235,377	234,410	112,383
Mulvane Middle School				
Student Achievement - Donation	583	938	998	523
2021-2022 Grant	24	500	524	0
Basketball - Girls	568	181	166	583
Basketball - Boys	1,935	405	0	2,340
Cheerleaders	5,475	16,827	19,824	2,478
Cross Country	566	214	83	697
Football	1,723	414	137	2,000
Track	1,453	553	0	2,006
Volleyball	2,595	2,057	1,431	3,221
Wrestling Club	408	0	152	256
Team 6A	294	0	178	116
Team 6B	77	1	77	1
Careers	844	0	275	569
National Honor Society	107	2,048	1,257	898
SADD/RAD Club	1,068	300	525	843
Sevenettes Club	77	375	414	38
Student Council	2,096	2,335	1,695	2,736
Yearbook Club	5,585	11,272	15,356	1,501
	25,478	38,420	43,092	20,806
Health Insurance Reserve	377,318	1,326,142	1,280,137	423,323
Total Agency Funds	$ 514,212	$ 1,599,939	$ 1,557,639	$ 556,512

UNIFIED SCHOOL DISTRICT NO. 263
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Mulvane High School							
Activity Passes - Patrons	$ 0	$ 0	$ 2,680	$ 2,680	$ 0	$ 0	$ 0
Gate Receipts/Ath/Unif Replace	0	0	54,624	54,624	0	0	0
Concessions	3,876	0	40,679	41,759	2,796	0	2,796
Interest	7	0	43	46	4	0	4
Clearing Account	1,063	0	1,239	0	2,302	0	2,302
Library (Fines & Book Fairs)	276	0	552	422	406	0	406
	5,222	0	99,817	99,531	5,508	0	5,508
Mulvane Middle School							
Gate Receipts/Athlete/Uniform Replacement	0	0	16,822	16,822	0	0	0
Bldg Rent - Area Rents	0	0	92	92	0	0	0
Activity Passes - Patrons	0	0	2,514	2,514	0	0	0
Athletic Entry Fees	0	0	1,617	1,617	0	0	0
Concessions	2,909	0	18,993	15,176	6,726	0	6,726
Interest	46	0	11	56	1	0	1
Donations - Misc	3	0	0	3	0	0	0
Pop/Vending	267	0	1,724	1,619	372	0	372
	3,225	0	41,773	37,899	7,099	0	7,099
Mulvane Grade School							
Library	2,841	0	13,859	9,666	7,034	0	7,034
Refund	0	0	30	30	0	0	0
Donation - Misc	2,473	0	1,620	2,550	1,543	0	1,543
T.A.P.E. Donation	399	0	6,879	1,744	5,534	0	5,534
	5,713	0	22,388	13,990	14,111	0	14,111
Munson Primary School							
Library	8,407	0	2,665	8,868	2,204	0	2,204
IOTA CHI Donation	9	0	0	0	9	0	9
Refund	0	0	233	233	0	0	0
T.A.P.E. Donation	1,624	0	6,922	4,219	4,327	0	4,327
Just Give - Donation	28	0	0	0	28	0	28
	10,068	0	9,820	13,320	6,568	0	6,568
Total District Activity Funds	$ 24,228	$ 0	$ 173,798	$ 164,740	$ 33,286	$ 0	$ 33,286

FEDERAL AWARD INFORMATION

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

Board of Education
Unified School District No. 263
Mulvane, Kansas

We have audited, in accordance with 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 **Unified School District No. 263, Mulvane, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement, which collectively comprise **Unified School District No. 263, Mulvane, Kansas'** basic financial statement, and have issued our report thereon dated February 29, 2024. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Unified School District No. 263, Mulvane, Kansas'** 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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Unified School District No. 263, Mulvane, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 263, Mulvane, Kansas'** 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 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 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.

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Board of Education
Unified School District No. 263

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 No. 263, Mulvane, Kansas'** 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 result 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.

BFR CPA, LLC

BFR CPA, LLC
February 29, 2024

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

Board of Education
Unified School District No. 263
Mulvane, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Unified School District No. 263, Mulvane, Kansas'** 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 No. 263, Mulvane, Kansas'** major federal programs for the year ended **June 30, 2023**. **Unified School District No. 263, Mulvane, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **Unified School District No. 263, Mulvane, Kansas** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 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 (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **Unified School District No. 263, Mulvane, Kansas** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **Unified School District No. 263, Mulvane, Kansas'** compliance with the compliance requirements referred to above.

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Board of Education
Unified School District No. 263

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 No. 263, Mulvane, Kansas'** major federal programs.

Auditors' 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 No. 263, Mulvane, Kansas'** 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a 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 aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Unified School District No. 263, Mulvane, Kansas'** compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *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 No. 263, Mulvane, Kansas'** 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 No. 263, Mulvane, Kansas'** 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 No. 263, Mulvane, Kansas'** 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.

Board of Education
Unified School District No. 263

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 major 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 major 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 major federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weakness 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 result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BFR CPA, LLC

BFR CPA, LLC
February 29, 2024

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Grant Title	Assistance Listing Number	Program Amount	Expenditures
(Passes Through Kansas Department of Education)			
Department of Agriculture			
Child Nutrition Cluster-Cluster			
School Breakfast Program	10.553	$ 136,561	$ 136,561
National School Lunch Program	10.555	522,951	833,423
Summer Food Service Program for Children	10.559	78,458	78,458
		737,970	1,048,442
Department of Education			
Special Education Cluster (IDEA)-Cluster			
Special Education - Grants to States	84.027	356,689	356,689
Special Education - Preschool Grants	84.173	12,434	12,434
		369,123	369,123
Title I Grants to Local Educational Agencies	84.010	232,464	232,464
Career and Technical Education - Basic Grants to States	84.048	31,456	31,456
Supporting Effective Instruction State Grants	84.367	50,658	50,658
Student Support and Academic Enrichment Program	84.424	11,726	11,726
COVID-19 Education Stabilization Fund	84.425D	781,646	103,004
COVID-19 Education Stabilization Fund	84.425U	1,755,466	649,958
COVID-19 Education Stabilization Fund	84.425V	45,000	45,000
COVID-19 Education Stabilization Fund	84.425W	300	300
		2,908,716	1,124,566
Department of Health and Human Services			
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	135,940	135,940
(Passes Through Kansas Department of Health and Environment)			
Department of Health and Human Services			
Medicaid Cluster-Cluster			
Medical Assistance Program	93.778	113,586	113,586
Total Federal Awards		$ 4,265,335	$ 2,791,657

The accompanying notes are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 263
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 includes the federal grant activity of **Unified School District No. 263, Mulvane, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 - Indirect Cost Rate:

The District has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **Unified School District No. 263, Mulvane, Kansas**.

2. No significant deficiencies or material weaknesses were reported in the Independent Auditors' 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*.

3. No instances of noncompliance material to the financial statement of **Unified School District No. 263, Mulvane, Kansas**, were disclosed during the audit.

4. No significant deficiencies or material weakness were reported in the Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance.

5. The independent auditors' report on compliance for the major federal award programs for **Unified School District No. 263, Mulvane, Kansas**, expresses an unmodified opinion on all major federal programs.

6. There were no audit findings relative to the major federal award programs for **Unified School District No. 263, Mulvane, Kansas**.

7. The programs tested as major programs were:

Child Nutrition Cluster-Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
COVID-19 Education Stabilization Fund	84.425D
COVID-19 Education Stabilization Fund	84.425U
COVID-19 Education Stabilization Fund	84.425V
COVID-19 Education Stabilization Fund	84.425W

8. The threshold for distinguishing Types A and B programs was $750,000.

9. **Unified School District No. 263, Mulvane, Kansas**, was determined not to be a low-risk auditee.

UNIFIED SCHOOL DISTRICT NO. 263
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

There are no prior audit findings.