FLINT HILLS TECHNICAL COLLEGE

Emporia, Kansas

Independent Auditor's Report and
Financial Statements with
Supplementary Information
For the Year Ended June 30, 2025

FLINT HILLS TECHNICAL COLLEGE

Emporia, Kansas

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Management's Discussion and Analysis

Introduction:

Flint Hills Technical College (the College) presents this Management's Discussion and Analysis (MD&A) to provide an overview of the College's financial position and results of operations for the fiscal year ended June 30, 2025, with selected comparative information from prior fiscal years. This discussion should be read in conjunction with the College's audited financial statements and accompanying notes. The College is responsible for the preparation and fair presentation of its financial statements in accordance with generally accepted accounting principles (GAAP) as mandated by the Governmental Accounting Standards Board (GASB). A separate audit is issued for the Flint Hills Technical College Foundation and is available for review at 3301 W. 18th Avenue, Emporia, Kansas 66801.

During the fiscal year, the College implemented GASB Statement No. 101, *Compensated Absences*, which establishes updated guidance for the recognition and measurement of liabilities for compensated absences. The adoption of this standard resulted in changes to the presentation of compensated absence liabilities within the financial statements. The implementation of GASB 101 also required prior period adjustments.

Using the Annual Report:

The annual financial report includes the basic financial statements and required supplementary information.

The basic financial statements consist of the following components:

1. **Statement of Net Position** – Presents the College's financial position at year-end.
2. **Statement of Revenues, Expenses, and Changes in Net Position** – Present operating and non-operating revenues and expenses for the fiscal year.
3. **Statement of Cash Flows** – Reports cash inflows and outflows from operating, noncapital financing, capital financing, and investing activities.
4. **Notes to the Financial Statements** – The notes are an integral part of the basic financial statements and provide essential information necessary for a full understanding of the College's financial position and results of operations.

Required Supplementary Information:

Management's Discussion and Analysis - This discussion is required by accounting standards to provide a narrative overview and analysis of the College's financial activities and is not considered part of the basic financial statements.

Financial Highlights:

The College experienced a strong fiscal year marked by continued growth, financial stability, and strategic investment in facilities and programs. Total assets increased to $15.8 million, while total liabilities remained relatively low at $2.2 million, resulting in a net position of $13.6 million. This reflects an increase of more than $2.2 million in net position during Fiscal Year 2025.

The primary driver of this increase was enhanced state funding, including $1.5 million in Base Operating Grant funding, along with targeted state and grant funding. The College also received state funding for specific initiatives, including Cybersecurity, Student Success, and Workforce Investment projects.

In addition, the College was awarded several grants during the year, including a multi-year grant from the Patterson Family Foundation. Patterson Family Foundation grant funds that have not been expended are held as cash until eligible costs are incurred. Strategic use of these funds allowed the College to invest in essential capital assets and complete critical facility improvements while minimizing the impact on general operating resources.

Statement of Net Position:

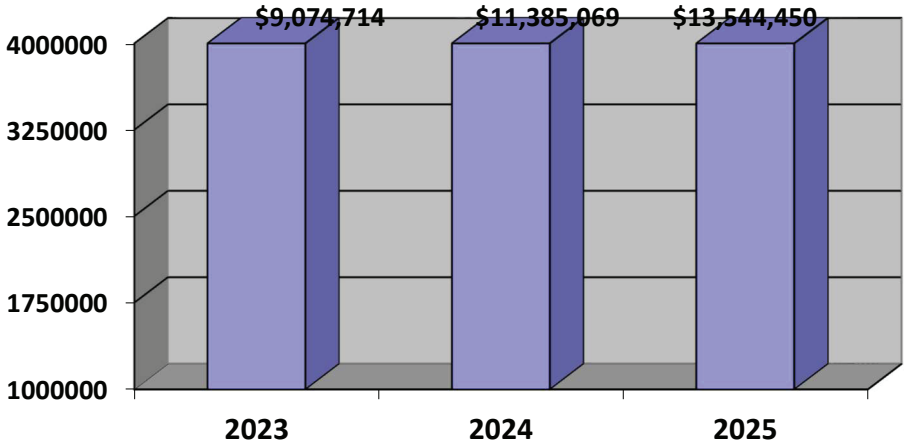
The Statement of Net Position presents the College's financial position as of June 30, 2025, and provides a snapshot of assets, liabilities, and net position at a specific point in time. Net Position represents the difference between total assets and total liabilities and serves as a key indicator of the College's financial stability.

Assets and liabilities are classified as either current or noncurrent based on their expected time frame for realization or settlement. Current assets and liabilities are generally expected to be realized or settled within 12 months, while noncurrent assets and liabilities extend beyond that period.

Comparison of Net Position – Fiscal Year 2023 to 2025

The College's net position continued to strengthen in Fiscal Year 2025 compared to Fiscal Years 2023 and 2024, reflecting sustained financial growth. This positive trend was driven by increases in both current and noncurrent assets, supported by continued state funding and strategic capital investments.

Total Net Position for 2025 compared to 2023 and 2024:



The College has experienced consistent growth in net position over the three-year period, demonstrating effective financial management and long-term fiscal stability.

Total breakdown of assets between current and noncurrent classification is as follows:

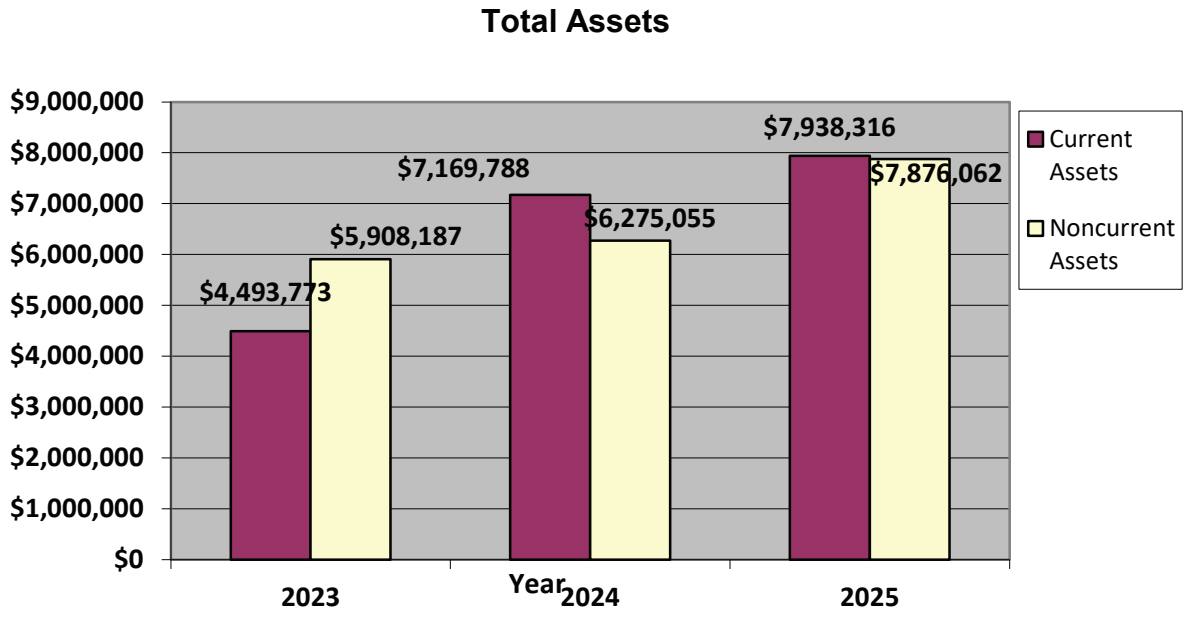
Comparison of Assets – Fiscal Year 2024 to 2025

	2024	% Total 2024	2025	% Total 2025
Current Assets	$ 7,169,788	53.33%	$ 7,938,316	50.20%
Non-Current Assets	$ 6,275,055	46.67%	$ 7,876,062	49.80%
Total Assets	$ 13,444,843	100.00%	$ 15,814,378	100.00%
Deferred Outflows	$ 187,272		$ 192,871	

The College's current assets increased by $768,528. While current assets increased in total dollar value, they represented a slightly smaller percentage of total assets, indicating a shift toward long-term investments.

Noncurrent assets increased by approximately $1.6 million, primarily due to equipment purchases and facility improvements.

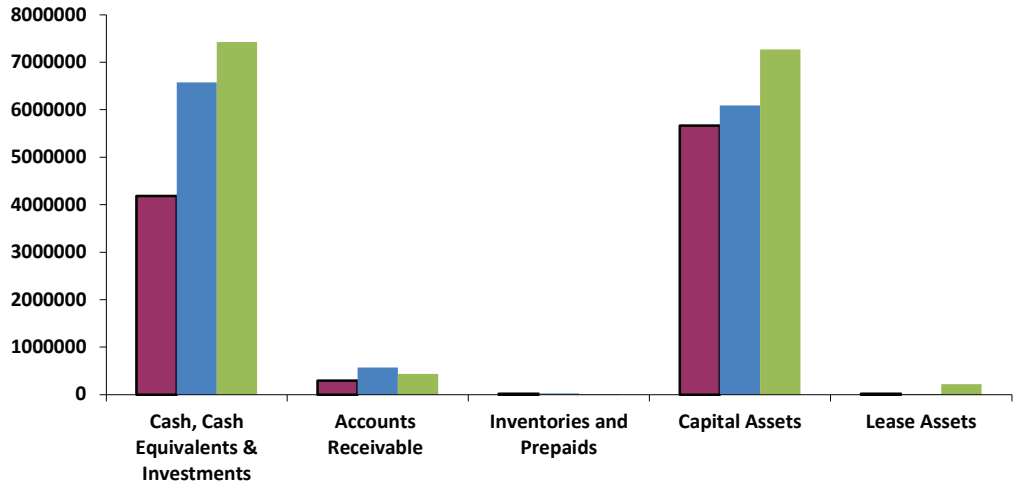
Deferred outflows of resources increased modestly and relate primarily to pension and other postemployment benefit reporting requirements under GASB standards. These amounts are not indicative of immediate cash outflows.



Key contributors to asset growth included:

- Completion of a multi-year ARPA Grant from the Department of Commerce to expand the Welding Technology Program through additional equipment purchases.
- Construction of a new Maintenance Department building funded through the Base Operating Grant with local support from the Lyon County Commission and the City of Emporia.
- Renovation of classrooms and lab spaces to consolidate programs from the Downtown Campus to the main campus.
- Use of Base Operating Grant funds to replace aging information technology equipment.
- Receipt of a multi-year grant from the Patterson Family Foundation, with funds recorded as cash until expended. This grant will assist the launch of the Precision Agriculture Program and expansion of Commercial Driver's License (CDL) courses.
- Receipt of funds from the Lyon County Commission to purchase new equipment for the Computerized Machine Tool Engineering Program.

2023, 2024, & 2025 Total Assets by Type



State funding continues to play a critical role in the College's financial performance. During Fiscal Year 2025, the State was unable to fully fund the College's enrollment under the Excel in CTE program, resulting in a modest decline in related revenue. The College also experienced a reduction in State Tiered and Non-Tiered funding. These decreases were partially offset by increased tuition and fee revenue, higher interest earnings on the College's investment and checking account balances, and the strategic use of grant funding to support general operating expenses, resulting in an overall increase in cash flow.

Comparison of Liabilities – Fiscal Year 2025

The College's current liabilities primarily consist of accounts payable, accrued wages and payroll tax liabilities, compensated absences, and deferred revenue. These obligations are expected to be settled within the normal 12-month operating cycle and reflect the College's short-term financial commitments.

Noncurrent liabilities are long-term, with settlement extending beyond the 12-month period.

	2024	% Total 2024	2025	% Total 2025
Current Liabilities	$ 1,346,787	66.52%	$ 1,518,697	67.67%
Non-Current Liabilities	$ 677,769	33.48%	$ 725,713	32.33%
Total Liabilities	$ 2,024,556	100.00%	$ 2,244,410	100.00%
Deferred Inflows	$ 222,490		$ 218,389	

Overall, liabilities remained manageable and low relative to total assets, supporting a strong net position and demonstrating continued fiscal discipline.

Combined Statements of Revenues, Expenses and Changes in Net Position

The combined statements of revenues, expenses, and changes in net position present the College's financial results for the fiscal year ending June 30, 2025, by fund and distinguish between operating and non-operating activities.

Operating revenues and expenses relate to the direct exchange of goods and services provided by the College, while non-operating revenues include state appropriations, Federal Pell Grants, county mill levy funding for the Adult Education Center, and gifts and contributions.

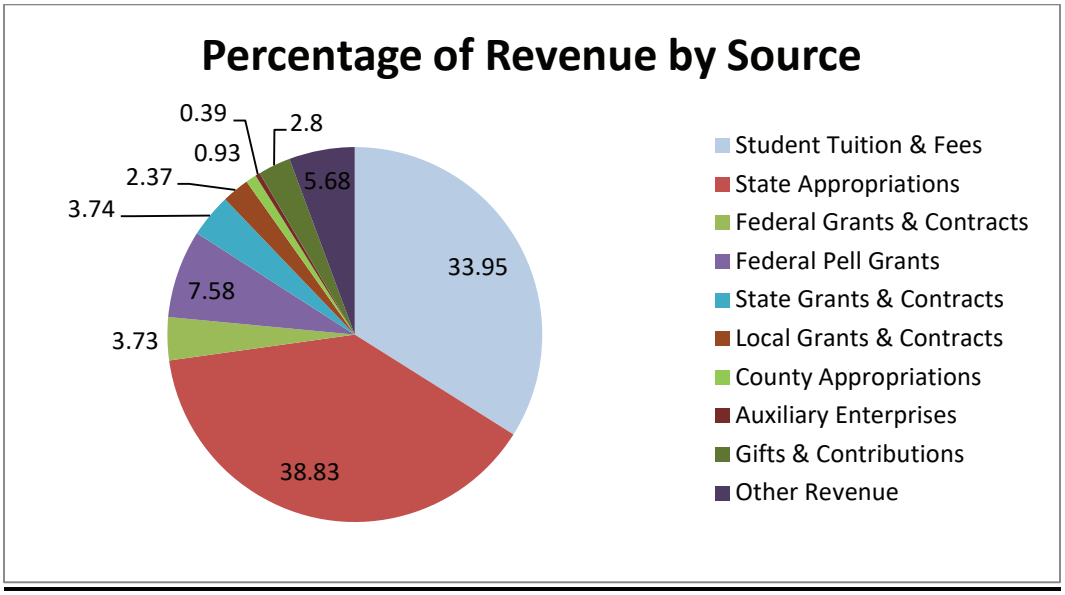
Results of Operations Fiscal Year 2025

Revenue

Flint Hills Technical College receives revenue from a variety of sources, each contributing to its financial stability and ability to carry out its mission. The major sources of the College's revenue include:

- **State of Kansas**: State funding is provided through Tiered and Non-Tiered funding, Capital Outlay, and Excel in CTE allocations. In addition, the State allocated targeted funding for Apprenticeships, Cybersecurity initiatives, and Student Success programs, all of which support College operations, workforce development, and infrastructure.
- **Student Tuition and Fees**: Tuition and fees remain a significant and consistent source of revenue.
- **Federal Government**: Federal revenues include Pell Grants and Adult Education Center program support, which contribute to both student financial aid and operational funding.
- **Grants**: Grant revenues from federal, state, and local sources support program development, staffing, and targeted initiatives.
- **Auxiliary Enterprises**: Auxiliary revenues are generated primarily through the College Store and program production activities.

Revenue	2024	% Total 2024	2025	% Total 2025
Student Tuition & Fees	$5,011,376	37.02%	$5,000,806	33.95%
State Appropriations	$5,569,562	41.14%	$5,719,792	38.83%
Federal Grants & Contracts	$705,516	5.21%	$549,764	3.73%
Federal Pell Grants	$729,567	5.39%	$1,115,983	7.58%
State Grants & Contracts	$465,920	3.44%	$551,254	3.74%
Local Grants & Contracts	$0.00	0.00%	$348,870	2.37%
County Appropriations	$147,084	1.09%	$137,175	.93%
Auxiliary Enterprises	$36,067	.27%	$57,375	.39%
Gifts & Contributions	$118,023	.87%	$413,360	2.80%
Other Revenue	$751,295	5.55%	$837,274	5.68%
Total Revenue	$13,536,434		$14,731,653	



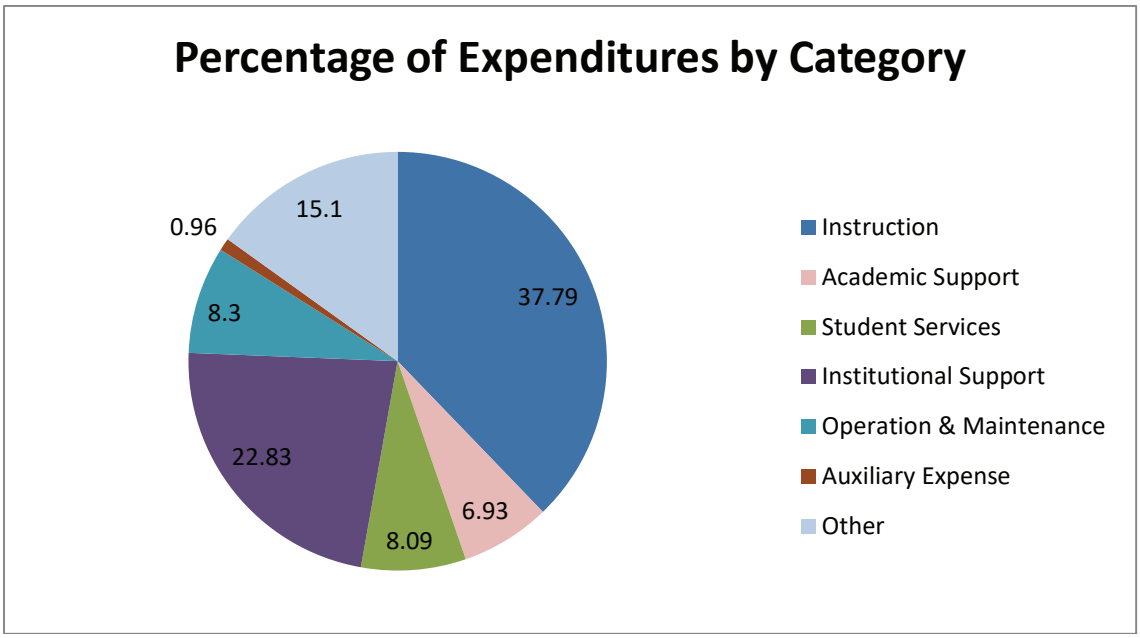
Expenditures

Flint Hills Technical College incurs expenses across seven key categories to support its operations and fulfill its mission. These categories are as follows:

1. **Instruction**: Expenses related to the direct delivery of educational programs and courses.
2. **Academic Support**: Costs associated with supporting instructional services, including libraries, tutoring, and other academic services.
3. **Student Services**: Expenses related to services that support students outside of the classroom, such as counseling, career services, and extracurricular activities.
4. **Institutional Support**: Costs related to the overall management and administrative functions of the College, including executive management, legal services, and general institutional oversight.
5. **Operations and Maintenance**: Expenses related to the upkeep of College facilities, including custodial services, utilities, and maintenance.
6. **Auxiliary Expense**: Costs associated with services that support student and campus life, including operations of the College Store and other auxiliary services.
7. **Other Expense**: This includes a range of costs, such as scholarships and awards, capital outlay, and depreciation of assets.

These categories collectively represent the various expenses necessary to maintain the College's operations, infrastructure, and student services.

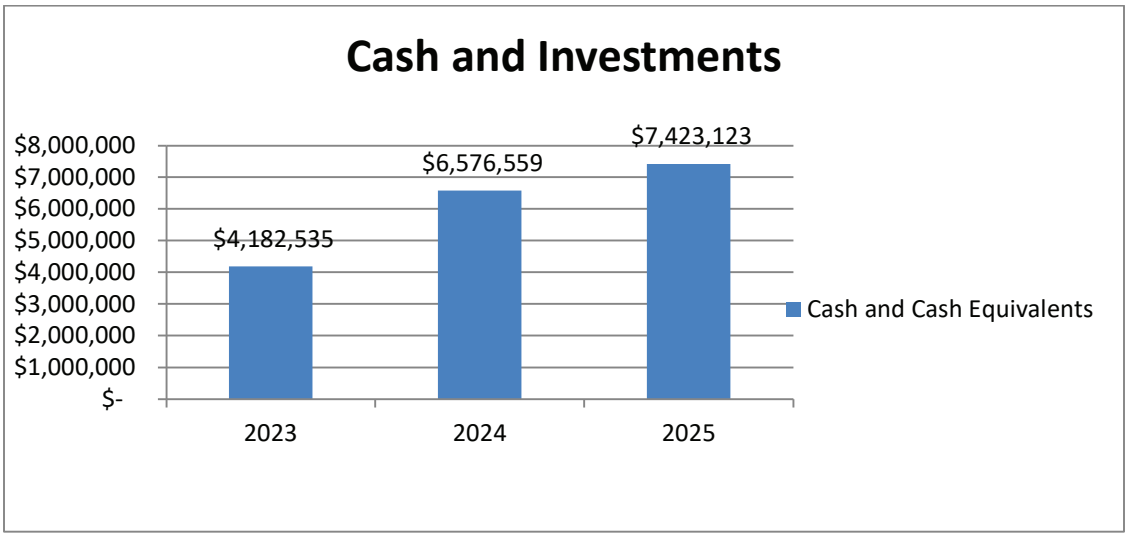
Detail of Education & General Expenditures	**2024**	**% Total 2024**	**2025**	**% Total 2025**
Instruction	$4,480,711	40.82%	$4,750,588	37.79%
Academic Support	$673,746	6.14%	$871,466	6.93%
Student Services	$591,672	5.39%	$1,017,685	8.09%
Institutional Support	$2,648,968	24.14%	$2,869,691	22.83%
Operation and Maintenance	$875,789	7.98%	$1,043,552	8.30%
Auxiliary Expense	$82,666	.75%	$120,959	.96%
Other Expense	$1,622,001	14.78%	$1,898,331	15.10%
Total Expenditures	$10,975,553		$12,572,272	



Statement of Cash Flows

The Statement of Cash Flows highlights the College's ability to generate cash and meet its financial obligations. The largest sources of operating cash were State Appropriations and student tuition and fees. Major uses of cash were payments made to employees and vendors.

Overall, cash and Investments increased during Fiscal Year 2025, improving the College's liquidity position.



Summary of Overall Performance

Over the past five years, the College has experienced consistent growth in tuition and fees revenue. In Fiscal Year 2025, additional state funding supported targeted initiatives and operational growth.

The College implemented a new compensation table for classified staff to enhance employee retention and market competitiveness. Implementation of the FHTC Vision Plan continued, including the phased relocation of programs from the Downtown Campus to the main campus. Construction of a new Maintenance Building began during the fiscal year.

The College expanded its workforce to support program growth, including positions funded through state initiatives and grants. In addition, grant funding from the Patterson Family Foundation was secured to support the implantation of the Precision Agriculture program and the expansion of Commercial Driver's License (CDL) courses.

To help offset the initial expenses for the Precision Agriculture program, the College secured grant funding from the Patterson Family Foundation as this program is established.

Economic Outlook

Several factors may impact the College's future financial position:

- **State Funding – Base Operating Grant:** Potential reductions would create a significant financial strain on the College.
- **State Funding – Excel in CTE:** Removal of certain programs from eligibility would significantly impact revenues.
- **Enrollment Management Plan**: Space limitations in high-demand programs may constrain enrollment growth.
- **Advanced Industry Education Center**: A capital campaign has been launched to support construction, which would enable future enrollment expansion.

The College remains focused on diversifying revenue sources, maintaining fiscal efficiency, and enhancing financial transparency through regular budget updates.

Request for Information

This MD&A is intended to provide a general overview of the financial condition of Flint Hills Technical College. Questions regarding this report should be directed to the Vice President of Administrative Services, Flint Hills Technical College, 3301 W 18th St., Emporia, KS 66801.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Flint Hills Technical College
Emporia, Kansas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Flint Hills Technical College, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Flint Hills Technical College, as of June 30, 2025, and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Change in Accounting Principles and Restatement of Beginning Net Position

As discussed in Note 25 to the financial statements, during the year ended June 30, 2025, the College implemented GASB Statement No. 101, *Compensated Absences*. The implementation of these standards resulted in restatements of beginning net position as of July 1, 2024. Our opinion is not modified with respect to this matter.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Flint Hills Technical College 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 audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Flint Hills Technical College'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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 statements.

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 statements, 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 statements.
- 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 Flint Hills Technical College'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 statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Flint Hills Technical College'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.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of College's Net OPEB Liability Other Postemployment Benefit Plan – Medical and Prescription Drug Plan, Schedule of the College's Proportionate Share of net Pension Liability Kansas Public Employees Retirement System, and Schedule of the College Pension Contributions Kansas Public Employees Retirement System on pages i to x and 31 to 33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Flint Hills Technical College's basic financial statements. The supplementary information, as listed in the table of contents as pages 34 to 42, are presented for purposes of additional analysis and are not a required part of the basic financial

statements. The schedule of expenditures of federal awards are required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Flint Hills Technical College, as of and for the year ended June 30, 2024 (not presented herein), and have issued our report thereon dated February 7, 2025 which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accountsreports/local-government/municipal-services. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2025 (Schedules 6 to 8 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 2024 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 basic financial statement or to the 2024 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2024, on the basis of accounting described in Note 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2026 on our consideration of the Flint Hills Technical College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Flint Hills Technical College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Flint Hills Technical College's internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
January 12, 2026

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Statement of Net Position
June 30, 2025

	Primary Institution	Component Unit - Foundation
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 4,603,924.74	$ 1,006,727.45
Investments	2,819,198.46	5,415,430.50
Accounts Receivable, Net	435,382.04	-
Promises to Give, Net	-	564,200.00
Inventories	8,960.62	-
Prepaids	70,850.00	-
Total Current Assets	7,938,315.86	6,986,357.95
Noncurrent Assets		
Investments	356,904.03	-
Promises to Give, Net	-	1,035,800.00
Capital Assets, Net	7,272,178.92	-
Lease Assets, Net	220,284.26	-
Subscription Assets, Net	26,694.79	-
Total Noncurrent Assets	7,876,062.00	1,035,800.00
TOTAL ASSETS	15,814,377.86	8,022,157.95
DEFERRED OUTFLOWS OF RESOURCES	192,871.29	-
LIABILITIES		
Current Liabilities		
Accounts Payable	948,531.75	266.02
Accrued Wages	277,461.19	-
Prepaid Enrollment	36,887.40	-
Deposits Held in Custody for Others	58,583.73	-
Accrued Interest Lease Liabilities	417.98	-
Compensated Absences, Due Within One Year	147,361.00	-
Lease Liabilities, Due Within One Year	47,157.04	-
Subscription Liabilities, Due Within One Year	2,297.24	-
Total Current Liabilities	1,518,697.33	266.02
Noncurrent Liabilities		
Compensated Absences	181,008.00	-
Net OPEB Obligation	132,573.00	-
Net Pension Liability	317,343.00	-
Lease Liabilities	92,398.32	-
Subscription Liabilities	2,390.60	-
Total Noncurrent Liabilities	725,712.92	-
TOTAL LIABILITIES	2,244,410.25	266.02
DEFERRED INFLOWS OF RESOURCES	218,389.00	-
NET POSITION		
Investment in Capital Assets, Net of Related Debt	7,374,496.79	-
Restricted Net Position - Expendable	-	3,024,159.05
Restricted Net Position - Nonexpendable	-	2,546,557.31
Unrestricted	6,169,953.11	2,451,175.57
TOTAL NET POSITION	$ 13,544,449.90	$ 8,021,891.93

The accompanying notes are an integral part of the financial statements.

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2025

	Primary Institution	Component Unit - Foundation
REVENUES		
Operating Revenues		
Student Tuition and Fees, (net of scholarship discounts and allowances of $995,052.85)	$ 5,000,805.56	$ -
Federal Grants and Contracts	549,764.37	-
State Grants and Contracts	551,253.52	-
Local Grants and Contracts	348,870.00	-
Charges for Services	207,932.46	-
Sales and Services of Auxiliary Enterprises (net of scholarship discounts and allowances of $55,946.39)	57,374.53	-
Miscellaneous Operating Income	342,179.50	1,832.21
Total Operating Revenues	7,058,179.94	1,832.21
EXPENSES		
Operating Expenses		
Educational and General		
Instruction	4,750,588.40	-
Academic Support	871,465.91	-
Student Services	1,017,684.75	-
Institutional Support	2,869,691.48	489,107.82
Operation and Maintenance	1,043,551.98	-
Auxiliary Expense	120,958.54	-
Scholarships, Grants and Awards	620,489.41	267,851.04
Capital Outlay	541,721.81	-
Lease Expense	115,243.46	-
Subscription Expense	7,430.86	-
Depreciation Expense	613,445.53	-
Total Operating Expenses	12,572,272.13	756,958.86
Operating Income (Loss)	(5,514,092.19)	(755,126.65)
Nonoperating Revenues (Expenses)		
State Appropriations	5,719,791.70	-
County Appropriations	137,174.60	-
Federal Pell Grants	1,115,983.00	-
Gifts and Contributions	413,359.91	2,833,555.81
Investment Income	278,388.04	350,392.54
Unrealized Gain (Loss) on Investments	-	353,426.64
Realized Gain (Loss) on Investments	-	(6,949.91)
Gain (Loss) on Sale of Assets	8,776.23	-
Net Operating Revenues (Expenses)	7,673,473.48	3,530,425.08
Increase (Decrease) in Net Position	2,159,381.29	2,775,298.43
Net Position - Beginning of Year, As Previously Reported	11,484,057.81	5,246,593.50
Prior Period Adjustment, See Footnote No. 25	(98,989.20)	-
Net Position - Beginning of Year, As Restated	11,385,068.61	5,246,593.50
Net Position - End of Year	$ 13,544,449.90	$ 8,021,891.93

The accompanying notes are an integral part of the financial statements.

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Statement of Cash Flows
For the Year Ended June 30, 2025

	Primary Institution	Component Unit - Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Student Tuition and Fees	$ 5,120,562.32	$ -
Federal Grants and Contracts	549,764.37	-
State Grants and Contracts	551,253.52	-
Sales and Services of Auxiliary Enterprises	265,306.99	-
Miscellaneous Income	342,179.50	1,832.21
Payments on Behalf of Employees	(6,676,090.62)	-
Payments for Supplies and Materials	(840,881.34)	-
Payments for Lease Expense	(36,987.47)	-
Payments for Subscription Expense	(23,814.51)	-
Payments for Other Expenses	(4,175,054.84)	(679,533.36)
Net cash provided by (used in) operating activities	(4,923,762.08)	(677,701.15)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	5,719,791.70	-
County Appropriations	137,174.60	-
Federal Pell Grants	1,115,983.00	-
Federal Direct Loans	745,416.00	-
Federal Direct Loans Paid	(745,416.00)	-
Gifts and Contributions	413,359.91	1,284,199.81
Net cash provided by (used in) noncapital financing activities	7,386,309.21	1,284,199.81
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Payments for Purchase of Capital Assets	(1,795,780.23)	-
Payments for Purchase of Lease Assets	(99,332.79)	-
Proceeds from the Sale of Assets	8,776.23	-
Net cash provided by (used in) capital financing activities	(1,886,336.79)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earned on Investments	278,388.04	350,392.54
Proceeds from the Sales and Maturities of Investments	19,662,154.85	115,421.47
Purchase of Investments	(20,334,958.65)	(466,748.98)
Net cash provided by (used in) investing activities	(394,415.76)	(934.97)
Net Increase (Decrease) in Cash and Cash Equivalents	181,794.58	605,563.69
Cash and Cash Equivalents, Beginning of Year	4,073,260.16	401,163.76
Cash and Cash Equivalents, End of Year	$ 4,255,054.74	$ 1,006,727.45

The accompanying notes are an integral part of the financial statements.

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Statement of Cash Flows
For the Year Ended June 30, 2025

	Primary Institution	Component Unit - Foundation
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ (5,514,092.19)	$ (755,126.65)
Adjustments to Reconcile Change in Net Position to Net Cash Used in Operating Activities:		
Depreciation Expense	613,445.53	-
Amortization of Lease Assets	51,740.34	-
Amortization of Subscription Assets	4,683.32	-
Non Cash Expense	-	59,356.00
(Increase) Decrease in Receivables	137,020.57	18,564.53
(Increase) Decrease in Inventory	11,866.12	-
(Increase) Decrease in Subscription Asset	(18,859.43)	-
(Increase) Decrease in Prepaids	(70,850.00)	-
(Increase) Decrease in Deferred Outflows	(5,599.57)	-
Increase (Decrease) in Accounts Payable	99,935.05	(495.03)
Increase (Decrease) in Accrued Wages	32,212.17	-
Increase (Decrease) in Compensated Absences	38,710.00	-
Increase (Decrease) in Prepaid Tuition	(17,263.81)	-
Increase (Decrease) in OPEB Obligations	(16,402.00)	-
Increase (Decrease) in Net Pension Obligations	43,541.00	-
Increase (Decrease) in Deposits Held for Others	14,813.71	-
Increase (Decrease) in Lease Liabilities	26,515.65	-
Increase (Decrease) in Subscription Liabilities	(2,207.54)	-
Increase (Decrease) in Pension Related Deferred Inflows	(4,101.00)	-
Net cash provided by (used in) operating activities	$ (4,574,892.08)	$ (677,701.15)

Supplementary Information:		
Non Cash Contributions - Fundraising	$ -	$ 53,236.00
Non Cash Contributions - Management and General	-	6,120.00

The accompanying notes are an integral part of the financial statements.

1. NATURE OF ACTIVITIES

Flint Hills Technical College (the College), located in Emporia, Kansas, is a public two-year technical institution of higher education. The College is a special-purpose government engaged only in business-type activities; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, in conformity with accounting principles generally accepted in the United States of America (GAAP). The *Governmental Accounting Standards Board* (GASB) is the recognized standard-setting authority for establishing accounting and financial reporting principles for state and local governments. The more significant accounting policies of the College are described below in footnote 2.

Reporting Entity

The financial reporting entity consists of the College (the primary government) and all organizations for which the College is financially accountable. Financial accountability is defined by GASB Statement No. 14, as amended by GASB Statements No. 39 and No. 61, and exists if the College appoints a voting majority of an organization's governing body and either (1) is able to impose its will on that organization, or (2) there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the College. Other organizations are included in the reporting entity if the nature and significance of their relationship with the College are such that exclusion would cause the financial statements to be misleading or incomplete.

After evaluating all potential component units, management has determined that other than the component unit described below, no other organizations meet the criteria for inclusion in the College's financial reporting entity.

Component Units

The component unit column in the financial statements includes the financial data of the College's discretely presented component unit, the Flint Hills Technical College Foundation (the Foundation). The Foundation is a legally separate, tax-exempt nonprofit organization formed to promote and support the educational purposes of the College through fundraising and management of contributed resources. The Foundation's economic resources are held almost entirely for the direct benefit of the College.

The Foundation issues separate audited financial statements, which are available from the Foundation's Office. The Foundation follows accounting principles generally accepted in the United States of America as established by the Financial Accounting Standards Board (FASB), including the use of the FASB Accounting Standards Codification (ASC). Accordingly, certain recognition and presentation differences exist compared with GASB requirements. No modifications have been made to the Foundation's financial information for these differences; however, its financial data have been aggregated into comparable categories for presentation within the College's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as prescribed by the Governmental Accounting Standards Board (GASB). Under the accrual basis, revenues are recognized when earned and expenses are recognized when an obligation is incurred, regardless of the timing of related cash flows. All significant interfund transactions have been eliminated in the preparation of the financial statements. The College reports as a single enterprise fund.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the College considers all highly liquid investments with original maturities of three months or less from the date of acquisition to be cash equivalents. This includes demand deposits and short-term investments such as money market funds.

Certificates of deposit with original maturities greater than three months are reported as investments rather than cash equivalents.

Investments

Investments are reported at fair value, except for nonparticipating contracts such as certificates of deposit, which are reported at cost. Fair value is determined based on quoted market prices, where available.

Changes in the fair value of investments are reported as a component of investment income in the statement of revenues, expenses, and changes in net position.

The College's investments consist primarily of certificates of deposit with local financial institutions and may also include U.S. government securities and other instruments authorized by Kansas statutes (K.S.A. 12-1675).

The College's investment policy limits investment maturities as a means of managing exposure to fair value losses arising from interest rate fluctuations. All investments are held in the College's name and are fully collateralized in accordance with Kansas statutes.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable consist primarily of amounts due from students for tuition and fees, as well as charges for auxiliary enterprise services provided to students, faculty, and staff—most of whom reside in the State of Kansas. Accounts receivable also include amounts due from federal, state, and local governmental agencies, and from private organizations, for reimbursement of allowable expenditures made under various grants and contracts.

The College regularly extends unsecured credit to various students. The College uses the allowance method to account for uncollectible accounts receivable.

Inventories

Inventories consist primarily of books and supplies held for resale in the College's bookstore. Inventories are stated at cost, determined using the first-in, first-out (FIFO) method. The cost of inventories is recognized as expense when the related goods are sold.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Noncurrent Cash and Cash Equivalents
Cash and cash equivalents that are externally restricted by creditors, grantors, contributors, or by state statute for the purpose of making debt service payments, maintaining sinking or reserve funds, or purchasing or constructing capital or other noncurrent assets are classified as noncurrent assets in the statement of net position. These amounts are reported as restricted cash and cash equivalents, noncurrent.

Capital Assets
Capital assets include land, buildings, furniture, equipment, and vehicles. Capital assets are defined as assets with an initial individual cost of more than $5,000.00 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost. Donated fixed assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Major additions and improvements are capitalized. The College capitalizes interest on the construction of capital assets when material. The College's capital assets are depreciated using the straight line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Building Improvements	15 Years
Vehicles	5-10 Years
Equipment, including computers	2-30 Years

Right-to-use lease assets recognized under GASB Statement No. 87 and subscription-based information technology assets recognized under GASB Statement No. 96 are reported and disclosed separately in the accompanying notes.

Compensated Absences
The College records a liability for compensated absences in accordance with GASB Statement No. 101, Compensated Absences. Employees earn vacation and other leave benefits in accordance with College policy and applicable employment agreements.

A liability for compensated absences is recognized when earned, if it is probable that the benefits will be used or paid, and the leave accumulates and can be carried forward to future periods. The liability is measured based on the leave terms in effect as of the reporting date.

The current portion of the liability, representing amounts expected to be paid within one year, is reported as a current liability in the statement of net position. The remaining balance is reported as a noncurrent liability. Detailed information on the College's compensated absences, including activity and amounts, is presented in a separate note.

Noncurrent Liabilities
Noncurrent liabilities include (1) principal amounts of bonds payable, notes payable, and lease liabilities with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other obligations that are not expected to be liquidated within the next fiscal year; (3) subscription-based information technology arrangement (SBITA) liabilities arising under GASB Statement No. 96; and (4) other liabilities that, although payable within one year, are to be paid from resources that are classified as noncurrent assets or otherwise restricted.

The current portion of these obligations, representing amounts expected to be paid within one year, is reported as a current liability in the statement of net position, with the remaining balance classified as noncurrent.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position
The College's net position is classified as follows:

Invested in Capital Assets, Net of Related Debt:
This component consists of the College's total investment in capital assets, net of accumulated depreciation, and outstanding debt obligations related to those capital assets. To the extent that debt has been incurred but not yet expended for capital assets, such amounts are excluded from this category and instead reported as restricted net position.

Restricted Net Position – Expendable:
Expendable restricted net position includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by creditors, grantors, contributors, or by state statute or other external laws or regulations.

Restricted Net Position – Nonexpendable:
Nonexpendable restricted net position consists of endowment and similar funds in which donors or other external parties have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested to produce income that may be expended in accordance with the terms of the endowment.

Unrestricted Net Position:
Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are available to the College's governing board to meet current obligations for any lawful purpose. Unrestricted net position also includes resources of auxiliary enterprises that are substantially self-supporting activities providing services to students, faculty, and staff.

Resource Flow Assumption:
When an expense is incurred for purposes for which both restricted and unrestricted resources are available, the College's policy is to apply unrestricted resources first, followed by restricted resources as needed.

Income Taxes
The College, as a political subdivision of the State of Kansas, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code, as amended. The Flint Hills Technical College Foundation (the Foundation), a discretely presented component unit, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Classification of Revenues
The College has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales of services of auxiliary enterprises, net of scholarship discounts and allowances, and (3) most Federal, state and local grants and contracts, and Federal appropriations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification of Revenues (Continued)

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, in which the College receives value without directly giving equal value in return. These revenues include state appropriations, property taxes, gifts and contributions, nonexchange grants such as federal Pell grants, and investment income.

Classification of revenues is made in accordance with GASB Statements No. 9, Reporting Cash Flows of Proprietary Funds and Governmental Entities That Use Proprietary Fund Accounting, and No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances represent the difference between the stated charges for goods and services provided by the College and the amount that is paid by students and/or third parties on the students' behalf.

Certain federal, state, and nongovernmental grants, such as federal Pell grants, and other financial aid programs are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that such revenues are used to satisfy tuition and fees or other student charges, the College reports the related amounts as scholarship discounts and allowances rather than as expense.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities, as well as the reported amounts of revenues and expenses during the reporting period.

Estimates are based on management's best judgments and currently available information. Actual results may differ from those estimates.

Pension Plan

Substantially all full-time employees of the College participate in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the State of Kansas. KPERS provides retirement, disability, and death benefits to plan members in accordance with benefit provisions established by state statute.

The College's contributions to KPERS are determined in accordance with actuarially established contribution requirements and are remitted to the plan as required by Kansas law. The College recognizes its proportionate share of the collective net pension liability, deferred outflows and inflows of resources, and pension expense in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71.

Additional information regarding the plan's fiduciary net position, actuarial assumptions, and the College's proportionate share of the collective net pension liability is presented in a separate note to the financial statements.

3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes
Supplementary Schedules 6 to 8 have been prepared in order to show compliance with the cash basis laws of Kansas. As shown in Schedules 6 to 8, the College was in apparent compliance with Kansas cash basis laws.

4. DEPOSITS AND INVESTMENTS

Deposits and Investments - Primary Institution
As of June 30, 2025, the College has the following investments and maturities.

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less than 1	1-2	Rating
Kansas Municipal Investment Pool				
30 Day Fixed	$ 907,299.73	$ 907,299.73	0.00	S&P AAAf/S1+
90 Day Fixed	1,264,219.29	1,264,219.29	0.00	S&P AAAf/S1+
180 Day Fixed	647,679.44	647,679.44	0.00	S&P AAAf/S1+
365 Day Fixed	356,904.03	0.00	356,904.03	S&P AAAf/S1+
Total Investments	$ 3,176,102.49	$ 2,819,198.46	$ 356,904.03	

K.S.A 9-1401 establishes the depositories which may be used by the College. The statute requires banks eligible to hold the College's funds have a main branch or branch bank in the county in which the College is located, or in an adjoining county if such institution has been designated as an official depository, and the bank 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 College has no other policies that would further limit interest rate risk.

K.S.A 12-1675 limits the College'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 College has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The College's allocation of investments as of June 30, 2025, is as follows:

Investment Type	Percentage of Investment
Kansas Municipal Investment Pool	100%

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

4. DEPOSITS AND INVESTMENTS (Continued)

Deposits and Investments - Primary Institution

Deposits: At year-end, the College's carrying amount of deposits was $4,603,299.74 and the bank balance was $5,372,201.12. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $503,193.72 was covered by FDIC insurance, and $4,869,007.40 was collateralized with pledged securities held by the pledging financial institutions' agents in the College's name.

Custodial credit risk – investments. For an investment, that is the risk that, in the event of the failure of the issuer or counterparty, the College 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.

At June 30, 2025, the College had invested $3,176,102.49 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities of up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Deposits – Component Unit

At June 30, 2025, the carrying amount of the Foundation's deposits was $1,006,727.45. The balance was held by one bank and one investment company resulting in a concentration of credit risk. The bank balance was $892,013.89. Of the bank balance $114.51 was covered by FDIC insurance and the remaining $891,899.38 was covered SIPC insurance.

Investment Policy – Component Unit

The Primary objective of the Foundation's investment policy is to provide for long-term growth of principal and income within reasonable risk on continuing and consistent basis. Emphasis shall be on maintaining growth of assets, net of inflation and fees. Over a period of time, the minimum goal for the total return of the fund should be the current rate of inflation plus 3 to 7%.

The investment objective requires a disciplined and consistent management philosophy. The objectives do not call for a philosophy which represents extreme positions or opportunistic styles. The portfolio shall be diversified with both fixed income and equity holdings. The purpose of such diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact of the total portfolio.

Investments are made under the direction of the Board of Directors and are reported at fair value in accordance with ASC 820, Fair Value Measurement, and ASC 958-320, Investments—Debt and Equity Securities. Equity, fixed income, and alternative investments are recorded at their estimated fair values as of year-end.

Investments at June 30, 2025, are comprised of the following:

	FAIR VALUE
Mutual Funds	$ 5,415,430.50
Total Investments	$ 5,415,430.50

5. FAIR VALUE MEASUREMENTS

Component Unit

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2. Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.

	June 30, 2025	
	Level 1	Total
Mutual Funds	$ 5,415,430.50	$ 5,415,430.50
Totals	$ 5,415,430.50	$ 5,415,430.50

6. ACCOUNTS RECEIVABLE, NET

Primary Institution
Accounts receivable at June 30, 2025, consisted of the following:

Student Accounts	$ 435,380.04
Federal Grants	2.00
Total Current Accounts Receivable	$ 435,382.04

The College uses the allowance method to account for uncollectible accounts receivable. Accounts receivable are presented net of an allowance for uncollectible accounts of $353,917.78 at June 30, 2025.

7. UNCONDITIONAL PROMISES TO GIVE

Component Unit
Unconditional promises to give at June 30, 2025 consist of the following:

Capital Campaign	$ 1,600,000.00
Total Unconditional Promises to Give	$ 1,600,000.00
Less than one year	$ 564,200.00
One to five years	1,035,800.00
Total Unconditional Promises to Give	$ 1,600,000.00

Uncollectible amounts for unconditional promises to give are expected to be insignificant. Accordingly, no provision is made for uncollectible amounts.

8. INVENTORIES

Primary Institution
Inventories consisted of the following at June 30, 2025:

Book Store Inventory	$ 8,960.62

9. CAPITAL ASSETS, NET

Primary Institution:
Following are the changes in capital assets for the year ended June 30, 2025:

	Balance 06/30/2024	Additions	Retirements	Transfers	Balance 06/30/2025
Capital Assets Not Being Depreciated					
Construction in Progress	$ 843,351.41	$ 918,270.00	$ -	$ (548,903.41)	$ 1,212,718.00
Capital assets					
Building and Improvements	5,489,743.07	35,269.12	-	523,068.20	6,048,080.39
Equipment	4,738,952.29	794,038.11	-	25,835.21	5,558,825.61
Vehicles	247,154.65	48,203.00	-	-	295,357.65
Total Capital Assets	11,319,201.42	1,795,780.23	-	-	13,114,981.65
Accumulated Depreciation	(5,229,357.20)	(613,445.53)	-	-	(5,842,802.73)
Total Net Capital Assets	$ 6,089,844.22	$ 1,182,334.70	$ -	$ -	$ 7,272,178.92

Component Unit:
Following are the changes in capital assets for the year ended June 30, 2025:

	Balance 06/30/2024	Additions	Retirements	Balance 06/30/2025
Property and Equipment				
Equipment	$ 16,101.29	$ -	$ -	$ 16,101.29
Total Property and Equipment	16,101.29	-	-	16,101.29
Accumulated Depreciation				
Equipment	16,101.29	-	-	16,101.29
Total Accumulated Depreciation	16,101.29	-	-	16,101.29
Total Net Capital Assets	$ -	$ -	$ -	$ -

10. LEASES

Primary Institution

The College has entered into various lease agreements for office space and equipment that meet the criteria for recognition under GASB Statement No. 87, *Leases*. Under this standard, the College recognizes a lease liability and an intangible right-to-use lease asset at the commencement of each lease. Lease liabilities are measured at the present value of future lease payments using the College's incremental borrowing rate at the lease inception date, and the corresponding lease assets are recorded at the same amount, adjusted for any prepayments or incentives received. Lease assets are amortized on a straight-line basis over the shorter of the useful life of the underlying asset or the lease term, and lease liabilities are reduced as payments are made, with interest expense recognized using the effective interest method. Short-term leases (those with terms of 12 months or less) are not capitalized and are expensed as incurred. The College had no leases accounted for as short-term leases and no variable or residual value guarantees at June 30, 2025. All leases are with local vendors and are collateralized only by the underlying assets. Management does not expect any significant changes in leasing arrangements in the next fiscal year.

At June 30, 2025, the College's right-to-use lease assets and related lease liabilities consisted of space, postage machine, and copy machine leases. The following summarizes the College's lease activity and balances for the year ended June 30, 2025:

Lease Expense:

Amortization expense by class of underlying asset:	
Copy Machines	$ 27,855.78
Building	23,046.48
Postage Machine	838.08
Total Amortization Expense	51,740.34
Interest on Lease Liability	4,039.30
Total Lease Expense	$ 55,779.64

Lease Assets:

	Beginning	Additions/ Modifications	Subtractions	Ending
Copy Machine	$ 147,534.33	$ (18,694.89)	$ 0.00	$ 128,839.44
Building	207,418.53	0.00	0.00	207,418.53
Postage Machine	4,399.61	0.00	0.00	4,399.61
	359,352.47	(18,694.89)	0.00	340,657.58
Less Accumulated Amortization				
Copy Machine	(103,274.22)	(27,855.78)	118,027.68	(13,102.32)
Building	(80,662.68)	(23,046.48)	0.00	(103,709.16)
Postage Machine	(2,723.76)	(838.08)	0.00	(3,561.84)
	(186,660.66)	(51,740.34)	118,027.68	(120,373.32)
Net Lease Assets	$ 172,691.81	$ (70,435.23)	$ 118,027.68	$ 220,284.26

	Beginning	Additions/ Modifications	Principal	Ending
Lease Liabilities:	$ 113,301.60	$ 129,589.11	$(103,335.35)	$ 139,555.36

10. LEASES (Continued)

Primary Institution
Future Maturity Analysis:

	Principal	Interest	Total Payments
2026	$ 47,157.04	$ 4,154.00	$ 51,311.04
2027	25,175.88	3,035.16	28,211.04
2028	26,136.38	2,074.66	28,211.04
2029	27,133.52	1,077.52	28,211.04
2030	13,952.54	152.98	14,105.52
Totals	$ 139,555.36	$ 10,494.32	$ 150,049.68

Lease Liabilities Accrued Interest:

	Beginning	Adjustment	Ending
Building	$ 156.09	$ 261.89	$ 417.98

11. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Primary Institution
The College has entered into several subscription-based information technology arrangements (SBITAs) for cloud-based and on-premise software solutions, which extend through fiscal year 2027. The College accounts for these arrangements in accordance with GASB Statement No. 96, Subscription-Based Information Technology Arrangements.

Under this standard, the College recognizes a subscription liability and a corresponding subscription asset at the commencement of the subscription term. The liability is measured at the present value of future subscription payments using the College's incremental borrowing rate at the inception of each arrangement. The subscription asset equals the liability amount, adjusted for any prepayments or incentives received. Subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying software. Short-term SBITAs (terms of 12 months or less) are not capitalized and are expensed as incurred.

The College had no short-term or variable-payment SBITAs at June 30, 2025. Management does not anticipate any significant modifications or new arrangements during fiscal year 2026.

SBITA Expense:

Amortization expense by class of underlying asset:	
SBITA – GASB 96	$ 5,583.30
Interest on SBITA Liability	309.16
Total SBITA Expense	$ 5,892.46

SBITA Assets:

	Beginning	Additions/ Modifications	Subtractions	Ending
SBITA – GASB 96	$ 19,935.40	$ 19,759.41	$ (899.98)	$ 38,794.83
Less Accumulated Amortization				
SBITA – GASB 96	(7,416.72)	(5,583.30)	899.98	(12,100.04)
Net SBITA Assets	$ 12,518.68	$ 14,176.11	$ 0.00	$ 26,694.79

11. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (Continued)

Primary Institution (Continued)

	Beginning	Additions/ Modifications	Reductions	Ending
SBITA Liabilities:	$ 6,895.38	$ 19,759.41	$ (21,966.95)	$ 4,687.84

Future Maturity Analysis:

	Principal	Interest	Total Payments
2026	$ 2,297.24	$ 190.51	$ 2,487.75
2027	2,390.60	97.15	2,487.75
Totals	$ 4,687.84	$ 287.66	$ 4,975.50

12. LONG-TERM LIABILITY ACTIVITY

Primary Institution

Following are the changes in long-term liability activity for the year ended June 30, 2025:

	Balance 06/30/2024	Additions	Reductions		Balance 06/30/2025	Amount Due within One Year
Compensated Absences	$ 289,659.00	$ 38,710.00	$ -	*	$ 328,369.00	$ 147,361.00
Lease Liability	113,301.60	129,589.11	(103,335.35)		139,555.36	47,157.04
Subscription Liability	6,895.38	19,759.41	(21,966.95)		4,687.84	2,297.24
	$ 409,855.98	$ 188,058.52	$ (125,302.30)		$ 472,612.20	$ 196,815.28

* Change in the compensated absences liability is presented as a net change

13. DEFINED BENEFIT PENSION PLANS

Primary Institution

Description of Pension Plan

The College 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. KPERS provides benefit provisions to statewide pension groups for State/School employees, Local employees, Police and Firemen, and Judges under one plan. Those employees participating in the pension plan for the College are included in the State/School employee group.

KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Benefits are established by statute and may only be changed by the state General Assembly. Member employees with ten or more years of credited service may retire as early as age 55 with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 "points".

13. DEFINED BENEFIT PENSION PLANS (Continued)

Primary Institution (Continued)
Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, member employees may withdraw their contributions from their individual accounts, including interest. Member employees who withdraw their accumulated contributions lose all rights and privileges of membership. The accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Member employees choose one of seven payment options for their monthly retirement benefits. At retirement a member employee may receive a lump-sum payment of up to 50% of the actuarial present value of the member employee's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas. The retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Funding policy:
K.S.A. 74-4919, as amended, establishes a three-tier benefit structure. Tier 1 members include active members hired before July 1, 2009. Tier 2 members include active members hired between July 1, 2009 and December 31, 2014. Tier 3 members include those first employed in a KPERS covered position after January 1, 2015. The member-employee contribution rate is 6%. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutorily required employer's share. For fiscal year 2025, the State of Kansas contributed 11.54% of covered payroll.

Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate actuarial valuations are prepared to determine the actuarial determined contribution rate by group. To facilitate the separate actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and non-employer allocations are applied to amounts presented in the schedules of pension amounts by employer and non-employer. The individual employer allocation percentages for the pension amounts were based on the ratio of the employer and non-employer contributions for the individual employer in relation to the total of all employer and non-employer contributions of the group.

At June 30, 2024, the College's proportion of the net pension liability was 0.076497%, which was an increase of 0.003189% from the proportion measured of 0.073308% at June 30, 2023. The proportion recognized by the State of Kansas on behalf of the College was 0.008064% (special funding situation). The proportion recognized by the College for KPERS retirees was 0.004855%.

Special Funding Situation
The employer contributions for the College, as defined in K.S.A. 74-4931 (2) and (3), are funded by the State of Kansas on behalf of the College. Therefore, the College is considered to be in a special funding situation as defined by GASB Statement No. 68.

13. DEFINED BENEFIT PENSION PLANS (Continued)

Primary Institution (Continued)
The State of Kansas is treated as a non-employer contributing entity to KPERS and is required to recognize its proportionate share of the net pension liability, deferred outflows of resources, deferred inflows of resources, and expenses for the pension plan attributable to the College. At June 30, 2024 and 2023, the proportionate share of the net pension liability recognized by the State of Kansas that was attributable to the College was $5,000,162.00 and $5,099,572.00, respectively.

The State of Kansas contributed $661,099.70 and $633,031.28 directly to KPERS on behalf of the College for the years ended June 30, 2025 and 2024, respectively. The payments made by the State of Kansas on behalf of the College have been recorded as both revenues (in state appropriations) and expenses (in benefits) in the Statements of Revenues, Expenses and Changes in Net Position.

Net Pension Liability:
The College makes contributions directly to KPERS for KPERS retirees filling KPERS covered positions per K.S.A. 74-4937. During the years ended June 30, 2025 and June 30, 2024, the contribution made to KPERS for these employees was $35,935.29 and $34,079.72, respectively. The College reported a liability for its proportionate share of the net pension liability related to these employees of $317,343.00 and $273,802.00 June 30, 2025 and 2024, respectively.

The June 30, 2025 net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The June 30, 2024 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 College's proportion of the net pension liability was based on the ratio of the College's actual contribution to KPERS, relative to the total employer and nonemployer contributions of the State/School subgroup within KPERS for the fiscal years ended June 30, 2025 and 2024. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. The College's proportion was 0.004855% and 0.003936% at June 30, 2025 and 2024, respectively. The College recognized pension expense of $33,361.43, related to the College's net pension liability.

At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2025	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and Actual experience	$ 20,150.00	$ 0.00
Net difference between projected and actual earning on pension plan investments	2,833.00	0.00
Change in proportion	58,486.00	7,328.00
Change in assumptions	21,313.00	8,174.00
Total	$ 102,782.00	$ 15,502.00

13. DEFINED BENEFIT PENSION PLANS (Continued)

Primary Institution (Continued)
The net $87,280.00 of amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the Statement of Revenues, Expenses and Changes in Net Position as follows:

2026	$ 22,947.00
2027	44,919.00
2028	12,843.00
2029	6,571.00

Discount Rate:
The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State, School and Local employers do not necessarily contribute the full actuarially determined rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Actuarial Assumptions
The total pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024, using the following actuarial assumptions:

Price inflation	2.75%
Salary increases, including wage increases	3.50 to 15.50%, including inflation
Long-term rate of return, net of investment expense, and including price inflation	7.00%

Mortality rates were based on the PUB 2010 Mortality Tables, with age setback and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study dated, January 29, 2024, as provided by KPERS' investment consultant, are summarized in the following table:

13. DEFINED BENEFIT PENSION PLANS (Continued)

Primary Institution (Continued)

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
Non-U.S. Equities	43.00%	8.20%
Core Fixed Income	13.00	2.20
Yield Driven	12.00	5.30
Infrastructure	3.00	6.80
Real Estate	15.00	5.70
Alternatives	11.00	12.00
Short-term investments	4.00	0.30
Total	100.00%	

Sensitivity to changes in the discount rate:
The following presents the net pension liability of the Pension Plan as of June 30, 2024, calculated using the discount rate of 7.00 percent, as well as what the Pension Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate:

	1.00% Decrease (6.00%)	***Current Discount Rate (7.00%)***	***1.00% Increase (8.00%)***
Proportionate share of the net pension liability allocated to:			
State	$ 14,942,217,651.00	$ 10,290,865,809.00	$ 6,396,725,371.00
College	467,423.00	317,343.00	191,631.00

KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas Ave., Suite 100, Topeka, Kansas 66603-3803) or by calling (888) 275-5737. The report is also available online at www.kpers.org.

14. OTHER POST EMPLOYMENT BENEFITS

Primary Institution
Early Retirement Benefits: The College has adopted a policy providing early retirement health care benefit options. Eligible employees are defined as:

- currently a full-time employee (contracted six hours or more per day),
- a minimum of 60 years of age prior to September 1 of the calendar year in which early retirement is requested, or who are eligible for KPERS early retirement without the reduction in benefits,
- not older than 64 years of age as of September 1 of the calendar year in which early retirement is requested, and
- at the time of request has 15 years of service with the College.

The following is a schedule of benefits paid and payable for eligible employees which have taken early retirement as of June 30, 2025:

Paid or Payable	Year Ended June 30th	Amount
Paid	2025	$ 24,171.54
Payable	2026	19,909.04

14. OTHER POST EMPLOYMENT BENEFITS (Continued)

Primary Institution (Continued)
Health Insurance: Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government 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 government under this program.

Plan Description: The College sponsors Medical and Dental insurance to qualifying retirees and their dependents. Coverage is provided through fully-insured contracts that collectively operate as a single-employer defined benefit plan. Qualifying retirees are those employees who are eligible for immediate retirement benefits under the Kansas Public Employees Retirement System and retire prior to age 65. Retirees and spouses may continue coverage with the College until their Medicare eligibility (i.e. age 65). Participants are required to contribute 100% of group insurance premiums to maintain coverage. Age-adjusted costs may exceed group insurance premiums thus creating an age-subsidy or benefit that forms the basis for the valuation. The plan is identifiable as a single-employer plan. There are 76 total active employees and 3 retirees who are participating in the plan as of July 1, 2024, the census date used for the actuarial valuation.

Funding policy: Costs under the College's group insurance program are paid from general operating assets on a pay-as-you-go basis. This arrangement does not qualify as an "OPEB Plan" under GASB requirements and thus these assets may not be reported as an offset to GASB liabilities. The Board has the authority for establishing and amending the funding policy.

Total OPEB Liability: The College's total OPEB liability of $132,573.00 was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2024
Measurement Date (End of Year)	June 30, 2025
Reporting Date	June 30, 2025
Discount Rate	4.8% (Measurement Date) 4.1% (Year Preceding Measurement Date)
Salary Scale	2.0%
Actuarial Cost Method	Entry Age – Level Percent-of-Pay
Health Care Cost Trend Rates	7.75% decreasing 0.25% per year until 2037 until reaching an ultimate trend rate of 5.00%

The average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields was evaluated to determine the discount rate. The selected rates are 4.1% (beginning-of-year measurement) and 4.8% (end-of-year measurement).

The mortality assumption was changed from Society of Actuaries Scale MP-2020 Full Generational Improvement to the Society of Actuaries Scale MP-2021 Full Generational Improvement.

14. OTHER POST EMPLOYMENT BENEFITS (Continued)

Primary Institution (Continued)
Annual OPEB cost and net OPEB obligation:

Net OPEB Liability	
I. Total OPEB Liability	$ 132,573.00
II. Plan Fiduciary Net Position (Trust Assets)	0.00
III. Net OPEB Liability at June 30, 2025 (I minus II)	$ 132,573.00
OPEB Liability Changes	
Total OPEB Liability – Beginning of Year	$ 148,975.00
1. Service Cost	12,097.00
2. Interest Cost	6,353.00
3. Changes in Benefit Terms	0.00
4. Differences between expected and actual experience	(16,897.00)
5. Changes in assumptions and inputs	(5,729.00)
6. Benefit Payments	(12,226.00)
Net Changes (1 + 2 + 3 + 4 + 5 + 6)	(16,402.00)
Total OPEB Liability – End of Year	$ 132,573.00
OPEB Expense – Fiscal Year 2024-25	
1. Service Cost	$ 12,097.00
2. Interest Cost	6,353.00
3. Changes in Benefit Terms	0.00
4. Differences between expected and actual experience	(12,046.00)
5. Changes of assumptions and inputs	(10,101.00)
6. Projected earnings on OPEB plan investments	0.00
7. Differences between projected & actual earnings on OPEB investments	0.00
OPEB Expense (1 + 2 + 3 + 4 + 5 - 6+7)	$ (3,697.00)
OPEB Liability as a percentage of payroll	
Total OPEB Liability	$ 132,573.00
Payroll	**4,053,521.00
Percent of Payroll	3.23%

** Annualized pay as of July 1, 2024 of active employees included in the valuation

Sensitivity of Total OPEB Liability to changes in the Discount Rate

	1% Decrease 3.8%	Current Single Discount Rate Assumption 4.8%	1% Increase 5.8%
Total OPEB Liability	143,299.00	132,573.00	122,858.00
Increase/(Decrease) from Baseline	10,726.00		(9,715.00)

Sensitivity of Total OPEB Liability to changes in Healthcare Cost Trend Rate

	1% Decrease	Current Trend Assumption	1% Increase
Total OPEB Liability	118,892.00	132,573.00	148,800.00
Increase/(Decrease) from Baseline	(13,681.00)		16,227.00

14. OTHER POST EMPLOYMENT BENEFITS (Continued)

Primary Institution (Continued)
Deferred Outflows and Inflows of Resources: The accumulated amount of Deferred Outflows and Inflows of Resources as of June 30, 2025 are shown below.

Category	Deferred Outflows of Resources	Deferred Inflow of Resources
Changes in Assumptions	47,061.00	89,887.00
Differences between expected and actual experience	7,093.00	113,000.00
Contributions Subsequent to Measurement Date (1)	0.00	0.00

(1) Expected Employer Contributions between Measurement date and Reporting date – Does not apply.

Amounts reported as deferred outflows / inflows of resources related to OPEB will be recognized as an expense / (income) item in OPEB expense as follows:

Fiscal Year Ending	Amount
2026	$ (22,147.00)
2027	(22,147.00)
2028	(22,147.00)
2029	(22,147.00)
2030	(22,147.00)
2031 & Thereafter	(37,998.00)

Average Expected Remaining Service Life: 6.72 years

15. COMPENSATED ABSENCES

Primary Institution
Vacation Leave:
Unclassified employees on twelve-month contracts may accumulate a maximum of 40 days of leave with employees working less than full-time having their vacation time pro-rated accordingly. Classified employees in a twelve month position can accumulate a maximum of 20 days. Terminating employees receive pay for unused vacation time provided ten working days' notice in writing has been received prior to termination and the employee is on contract.

Chargeable Leave:
All employees may be granted leave as allowed under the specific regulations, all leave is awarded based on the pay period in their work agreement and whether they are unclassified or classified employee. Any employee who has served at least 10 years with the College is paid $28.00 per day for their unused accumulated leave time up to a maximum of 90 days upon retirement, resignation, reduction in force or death.

Personal Leave:
Classified employees are granted one day each year and may accumulate up to two unused personal or business leave days. Unclassified administrative employees receive two personal or business leave days each year and may accumulate up to three unused personal or business leave days. Unused days are paid out on termination at the rate of pay upon termination.

15. COMPENSATED ABSENCES (Continued)

Primary Institution (Continued)
In accordance with the College's compensated-absences accounting policy (see Note 2), a liability has been recorded for vacation leave, chargeable leave, and personal leave because payment for unused vacation leave, chargeable leave, and personal leave is probable and measurable.

The current portion of the compensated-absences liability, representing amounts expected to be paid within one year, is reported as a current liability in the statement of net position; the remainder is reported as noncurrent.

16. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Primary Institution
Deferred outflows of resources represent the consumption of net position that applies to a future period and will be recognized as expenses or reductions of liabilities in future periods. Deferred inflows of resources represent the acquisition of net position that applies to a future period and will be recognized as revenues or reductions of assets in future periods.

The components of deferred outflows and inflows of resources reported in the statement of net position at June 30, 2025, are summarized as follows:

Description	Deferred Outflows	Deferred Inflows
Pensions – KPERS (GASB 68)	$ 102,782.00	$ 15,502.00
Pensions – KPERS Subsequent Pension Payments (GASB 68)	35,935.29	0.00
Other Postemployment Benefits (GASB 75)	54,154.00	202,887.00
Total	$ 192,871.29	$ 218,389.00

17. CONTINGENT LIABILITIES

In the normal course of operations, the College receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

18. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employee; employees' health and life; and natural disasters. The College manages these risks of loss through the purchase of insurance policies.

19. CONCENTRATION OF RISK

Component Unit
84.30% of the Foundation's monies are invested in mutual funds in the stock market, of this amount, 1.27% are invested in aggressive income investments, 72.73% are invested in growth and income investments, 2.20% are invested in growth investments, and 8.10% are invested in income investments. The effect in the future on the Foundation's portfolio is unknown and is subject to market economic conditions.

20. RESTRICTED NET POSITION - EXPENDABLE

Component Unit
Restricted Net Position – Expendable consists of the following donations received and restricted to use at June 30, 2025 of $3,024,159.05.

21. RESTRICTED NET POSITION - NONEXPENDABLE

Component Unit
Changes in endowments as of June 30, 2025 are as follows:

	Nonexpendable
Restricted Net Position, Beginning of Year	$ 2,525,770.61
Contributions	20,786.70
Restricted Net Position, End of Year	$ 2,546,557.31

All endowment funds are considered to be permanently restricted. Therefore the spending policy does not allow for distribution of these funds. Investment income from these funds is considered to be unrestricted unless otherwise designated.

22. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Amount
General Fund	Federal Financial Aid Fund	$ 19,014.00
General Fund	Deferred Maintenance Fund	75,000.00

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

23. NON CASH CONTRIBUTIONS

Component Unit
The Foundation receives non cash contributions from Flint Hills Technical College in the form of services and materials. Amounts contributed have been shown in contributions and reflected in the management and general expense in the amount of $6,120.00 for donated services and facilities that Flint Hills Technical College pays on the Foundation's behalf and qualifies under generally accepted accounting principles (GAAP) for the year ended June 30, 2025. The Foundation has also received non-cash items for the annual auction of $53,236.00 that has been shown as contributions and reflected in fundraising expense in the financial statements for the year ended June 30, 2025.

24. RELATED PARTY TRANSACTIONS

The Foundation was formed to promote and foster the educational purposes of the Flint Hills Technical College, and to create a fund to be used for any program, project, or enterprise undertaken in the interest of the College. The Foundation acts largely as a fundraising organization, soliciting, receiving, managing and disbursing contributions on behalf of the College. Most of the contributions received are designated by the donors to be used for specific purposes or by specific departments. In these instances, the Foundation serves essentially as a conduit. Contributions that are not designated are used where the need is considered greatest, as determined by the Foundation's board of directors. The Foundation disbursed to the College for the year ended June 30, 2025, $267,851.04 for scholarships and reimbursed the College for $237,540.88 in administrative support. The Foundation disbursed on behalf of the College through its activity funds for the year ended June 30, 2025, $120,896.71. The College disbursed on behalf of the Foundation donated services and facilities for the year ended June 30, 2025, $6,120.00.

25. PRIOR PERIOD ADJUSTMENT

Primary Institution

Implementation of GASB Statement No. 101 – Compensated Absences:

During fiscal year 2025, the College implemented GASB Statement No. 101, *Compensated Absences*, which establishes accounting and financial reporting requirements for compensated absences. This standard requires governments to recognize a liability for leave when it is earned, probable that the leave will be used or paid, and measurable based on current pay rates and salary-related costs. The cumulative effect of implementing GASB 101 resulted in a restatement of beginning net position to recognize the College's compensated absences liability as of July 1, 2024. The effect of this restatement was a decrease in beginning net position of $98,989.20.

Summary of Restatements of Beginning Net Position:

Description	Effect on Beginning Net Position
Implementation of GASB 101 – Compensated Absences	$ (98,989.20)
Total Decrease in Beginning Net Position	$ (98,989.20)

After recording these restatements, the College's beginning net position as of July 1, 2024, has been adjusted accordingly.

26. SUBSEQUENT EVENTS

The College evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

REQUIRED
SUPPLEMENTARY INFORMATION

Schedule 1

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

Schedule of the College's Proportionate Share of Net OPEB Liability
Other Postemployment Benefit Plan - Medical and Prescription Drug Plan
(This schedule is to be built prospectively until it contains ten years of data)

	06/30/2025	06/30/2024	06/30/2023	06/30/2022	06/30/2021
OPEB Liability Changes					
Total OPEB Liability - Beginning of Year	$ 148,975.00	$ 163,699.00	$ 144,061.00	$ 170,591.00	$ 180,452.00
1. Service Cost	12,097.00	10,631.00	10,026.00	12,599.00	15,048.00
2. Interest Cost	6,353.00	6,813.00	5,931.00	3,644.00	5,083.00
3. Changes in Benefit Terms	-	-	-	-	(16,775.00)
4. Differences between expected and actual experience	(16,897.00)	(45,860.00)	9,065.00	(29,408.00)	194.00
5. Changes in assumptions and other inputs	(5,729.00)	21,692.00	(1,384.00)	(11,365.00)	(13,411.00)
6. Benefit Payments	(12,226.00)	(8,000.00)	(4,000.00)	(2,000.00)	-
Net Changes (1+2+3+4+5+6)	(16,402.00)	(14,724.00)	19,638.00	(26,530.00)	(9,861.00)
Total OPEB Liability - End of Year	$ 132,573.00	$ 148,975.00	$ 163,699.00	$ 144,061.00	$ 170,591.00
OPEB Liability as a percentage of payroll					
Total OPEB Liability	$ 132,573.00	$ 148,975.00	$ 163,699.00	$ 144,061.00	$ 170,591.00
Payroll	^^ 4,053,521.00	^^ 4,053,521.00	^ 3,423,037.00	^ 3,423,037.00	** 3,196,791.00
Percent of Payroll	3.27%	3.68%	4.78%	4.21%	5.34%

	06/30/2020	06/30/2019	06/30/2018
OPEB Liability Changes			
Total OPEB Liability - Beginning of Year	$ 168,030.00	$ 169,170.00	$ 153,297.00
1. Service Cost	13,564.00	13,906.00	13,135.00
2. Interest Cost	5,448.00	5,910.00	5,557.00
3. Changes in Benefit Terms	-	-	-
4. Differences between expected and actual experience	(54,940.00)	(18,749.00)	-
5. Changes in assumptions and other inputs	48,350.00	5,793.00	3,181.00
6. Benefit Payments	-	(8,000.00)	(6,000.00)
Net Changes (1+2+3+4+5+6)	12,422.00	(1,140.00)	15,873.00
Total OPEB Liability - End of Year	$ 180,452.00	$ 168,030.00	$ 169,170.00
OPEB Liability as a percentage of payroll			
Total OPEB Liability	$ 180,452.00	$ 168,030.00	$ 169,170.00
Payroll	** 3,196,791.00	* 3,156,829.00	* 3,156,829.00
Percent of Payroll	5.64%	5.32%	5.36%

*Annualized pay as of July 1, 2017 of active employees included in the valuation
**Annualized pay as of July 1, 2019 of active employees included in the valuation
^Annualized pay as of July 1, 2022 of active employees included in the valuation
^^Annualized pay as of July 1, 2024 of active employees included in the valuation

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION:

The measurement date is the same as the College's fiscal year end.

Funding policy: Costs under the College's group insurance program are paid from general operating assets on a pay-as-you-go basis, net assets are accumulated to pay related benefits

Changes in Assumptions: Changes in assumptions or other inputs reflect a change in the discount rate from 4.1% (beginning-of-year measurement) to 4.8% (end-of-year measurement)

Schedule 2

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

Schedule of the College's Proportionate Share of Net Pension Liability
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
College's proportion of the collective net pension liability	0.004855%	0.003964%	0.003792%	0.003284%	0.003786%
College's proportionate share of the collective net pension liability	$ 317,343.00	$ 273,802.00	$ 270,954.00	$ 185,021.00	$ 282,887.00
State's proportionate share of the collective net pension liability associated with the College	5,000,162.00	5,099,572.00	5,030,295.00	4,224,042.00	5,315,607.00
Total	$5,317,505.00	$5,373,374.00	$5,301,249.00	$4,409,063.00	$5,598,494.00
College's covered payroll*	$5,036,048.68	$4,687,311.62	$4,316,659.75	$3,836,608.02	$3,719,899.70
College's proportionate share of the collective net pension liability as a percentage of its covered payroll	6.3014%	5.8413%	6.2769%	4.8225%	7.6047%
Plan (KPERS) fiduciary net position as a percentage of the total pension liability	72.75%	70.70%	69.75%	76.40%	66.30%

	2020	2019	2018	2017	2016
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
College's proportion of the collective net pension liability	0.003210%	0.002801%	0.004149%	0.006329%	0.002648%
College's proportionate share of the collective net pension liability	$ 207,614.00	$ 182,723.00	$ 278,770.00	$ 425,341.00	$ 440,467.00
State's proportionate share of the collective net pension liability associated with the College	4,791,965.00	5,005,350.00	5,282,793.00	5,525,755.00	5,831,293.00
Total	$4,999,579.00	$5,188,073.00	$5,561,563.00	$5,951,096.00	$6,271,760.00
College's covered payroll*	$3,633,524.98	$3,475,499.13	$3,455,426.18	$3,354,254.56	$3,949,960.55
College's proportionate share of the collective net pension liability as a percentage of its covered payroll	5.7138%	5.2575%	8.0676%	12.6806%	11.1512%
Plan (KPERS) fiduciary net position as a percentage of the total pension liability	69.88%	68.88%	67.12%	65.10%	64.95%

*Covered payroll is as of the measurement date.

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

Schedule of the College Pension Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2024	2024	2023	2022	2021
Contractually required contribution	$ 34,658.00	$ 28,012.00	$ 26,559.00	$ 23,162.00	$ 26,980.00
Contributions in relation to the contractually required contribution	(34,658.00)	(28,012.00)	(26,559.00)	(23,162.00)	(26,980.00)
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -
College's covered payroll*	$ 5,728,766.94	$ 5,036,048.68	$ 4,687,311.62	$ 4,316,659.75	$ 3,836,608.02
Contributions as a percentage of covered-payroll	0.60%	0.56%	0.57%	0.54%	0.70%

	2020	2019	2018	2017	2016
Contractually required contribution	$ 20,663.00	$ 16,044.00	$ 20,567.00	$ 29,576.00	$ 27,633.00
Contributions in relation to the contractually required contribution	(20,663.00)	(16,044.00)	(20,567.00)	(29,576.00)	(27,633.00)
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -
College's covered payroll*	$ 3,719,899.70	$ 3,633,524.98	$ 3,475,499.13	$ 3,455,426.18	$ 3,354,254.56
Contributions as a percentage of covered-payroll	0.56%	0.44%	0.59%	0.86%	0.82%

*The amounts presented for each fiscal year were determined as of June 30.

Notes to Schedule:
Contractually required contributions for the College consist of “working after retirement” contribution for KPERS retirees who are filing KPERS covered positions as College employees under K.S.A. 74-4937.

SUPPLEMENTARY INFORMATION

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Combining Schedule of Net Position - Primary Institution
June 30, 2025

	GENERAL	ADULT EDUCATION	AUXILIARY ENTERPRISE BOOKSTORE	LITERACY PROGRAM	FEDERAL FINANCIAL AID	KAN-TRAIN GRANT	DEFERRED MAINTENANCE
ASSETS							
Current Assets							
Cash and Cash Equivalents	$ 3,026,613.06	$ 242,874.28	$ 206,304.39	$ 541.58	$ (4,044.98)	$ 223.01	$ 935,529.08
Investments	2,819,198.46	-	-	-	-	-	-
Receivables - Federal	-	-	-	-	2.00	-	-
Receivables - Other Receivables	435,380.04	-	-	-	-	-	-
Inventories	-	-	8,960.62	-	-	-	-
Prepaids	70,850.00	-	-	-	-	-	-
Total Current Assets	6,352,041.56	242,874.28	215,265.01	541.58	(4,042.98)	223.01	935,529.08
Noncurrent Assets							
Investments	356,904.03	-	-	-	-	-	-
Capital Assets, Net	-	-	-	-	-	-	-
Lease Assets, Net	-	-	-	-	-	-	-
Subscription Assets, Net	-	-	-	-	-	-	-
Total Noncurrent Assets	356,904.03	-	-	-	-	-	-
TOTAL ASSETS	6,708,945.59	242,874.28	215,265.01	541.58	(4,042.98)	223.01	935,529.08
DEFERRED OUTFLOWS OF RESOURCES	192,871.29	-	-	-	-	-	-
LIABILITIES							
Current Liabilities							
Accounts Payable	549,762.56	4,015.00	-	353.78	(398.00)	-	389,295.00
Accrued Wages	277,461.19	-	-	-	-	-	-
Prepaid Tuition	36,887.40	-	-	-	-	-	-
Deposits Held in Custody for Others	-	-	-	-	-	-	-
Accrued Interest Lease Liabilities	-	-	-	-	-	-	-
Compensated Absences, Due Within One Yea	147,361.00	-	-	-	-	-	-
Lease Liabilities, Due Within One Year	-	-	-	-	-	-	-
Subscription Liabilities, Due Within One Yea	-	-	-	-	-	-	-
Total Current Liabilities	1,011,472.15	4,015.00	-	353.78	(398.00)	-	389,295.00
Noncurrent Liabilities							
Compensated Absences	181,008.00	-	-	-	-	-	-
Net OPEB Obligation	132,573.00	-	-	-	-	-	-
Net Pension Liability	317,343.00	-	-	-	-	-	-
Lease Liabilities	-	-	-	-	-	-	-
Subscription Liabilities	-	-	-	-	-	-	-
Total Noncurrent Liabilities	630,924.00	-	-	-	-	-	-
TOTAL LIABILITIES	1,642,396.15	4,015.00	-	353.78	(398.00)	-	389,295.00
DEFERRED INFLOWS OF RESOURCES	218,389.00	-	-	-	-	-	-
NET POSITION							
Investment in capital assets, net of related debt	-	-	-	-	-	-	-
Unrestricted	5,041,031.73	238,859.28	215,265.01	187.80	(3,644.98)	223.01	546,234.08
TOTAL NET POSITION	$ 5,041,031.73	$ 238,859.28	$ 215,265.01	$ 187.80	$ (3,644.98)	$ 223.01	$ 546,234.08

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Combining Schedule of Net Position - Primary Institution
June 30, 2025

	MISCELLANEOUS GRANTS	WELDING BUILDING	KANSAS PROMISE SCHOLARSHIPS	FHTC AGENCY	INVESTMENT IN PLANT	TOTALS - PRIMARY INSTITUTION
ASSETS						
Current Assets						
Cash and Cash Equivalents	$ 131,797.18	$ -	$ 5,146.14	$ 58,941.00	$ -	$ 4,603,924.74
Investments	-	-	-	-	-	2,819,198.46
Receivables - Federal	-	-	-	-	-	2.00
Receivables - Other Receivables	-	-	-	-	-	435,380.04
Inventories	-	-	-	-	-	8,960.62
Prepaids	-	-	-	-	-	70,850.00
Total Current Assets	131,797.18	-	5,146.14	58,941.00	-	7,938,315.86
Noncurrent Assets						
Investments	-	-	-	-	-	356,904.03
Capital Assets, Net	-	-	-	-	7,272,178.92	7,272,178.92
Lease Assets, Net	-	-	-	-	220,284.26	220,284.26
Subscription Assets, Net	-	-	-	-	26,694.79	26,694.79
Total Noncurrent Assets	-	-	-	-	7,519,157.97	7,876,062.00
TOTAL ASSETS	131,797.18	-	5,146.14	58,941.00	7,519,157.97	15,814,377.86
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-	-	192,871.29
LIABILITIES						
Current Liabilities						
Accounts Payable	-	-	5,146.14	357.27	-	948,531.75
Accrued Wages	-	-	-	-	-	277,461.19
Prepaid Tuition	-	-	-	-	-	36,887.40
Deposits Held in Custody for Others	-	-	-	58,583.73	-	58,583.73
Accrued Interest Lease Liabilities	-	-	-	-	417.98	417.98
Compensated Absences, Due Within One Yea	-	-	-	-	-	147,361.00
Lease Liabilities, Due Within One Year	-	-	-	-	47,157.04	47,157.04
Subscription Liabilities, Due Within One Yea	-	-	-	-	2,297.24	2,297.24
Total Current Liabilities	-	-	5,146.14	58,941.00	49,872.26	1,518,697.33
Noncurrent Liabilities						
Compensated Absences	-	-	-	-	-	181,008.00
Net OPEB Obligation	-	-	-	-	-	132,573.00
Net Pension Liability	-	-	-	-	-	317,343.00
Lease Liabilities	-	-	-	-	92,398.32	92,398.32
Subscription Liabilities	-	-	-	-	2,390.60	2,390.60
Total Noncurrent Liabilities	-	-	-	-	94,788.92	725,712.92
TOTAL LIABILITIES	-	-	5,146.14	58,941.00	144,661.18	2,244,410.25
DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	218,389.00
NET POSITION						
Investment in capital assets, net of related debt	-	-	-	-	7,374,496.79	7,374,496.79
Unrestricted	131,797.18	-	-	-	-	6,169,953.11
TOTAL NET POSITION	$ 131,797.18	$ -	$ -	$ -	$ 7,374,496.79	$ 13,544,449.90

Schedule 5

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Combining Schedule of Revenues, Expenses, and Changes in Net Position - Primary Institution
For the Year Ended June 30, 2025

	GENERAL	ADULT EDUCATION	AUXILIARY ENTERPRISE BOOKSTORE	LITERACY PROGRAM	FEDERAL FINANCIAL AID	KAN-TRAIN GRANT	DEFERRED MAINTENANCE
REVENUES							
Operating Revenues							
Student Tuition and Fees	$ 5,992,447.91	$ 3,410.50	$ -	$ -	$ -	$ -	$ -
Federal Grants and Contracts	193,478.00	97,527.54	-	-	815,056.13	-	-
State Grants and Contracts	-	75,776.42	-	-	-	-	-
Local Grants and Contracts	-	-	-	-	-	-	-
Charges for Services	207,932.46	-	-	-	-	-	-
Sales and Services of Auxiliary Enterprises	-	-	113,320.92	-	-	-	-
Other Operating Revenues	342,179.50	-	-	-	-	-	-
Total Operating Revenues	6,736,037.87	176,714.46	113,320.92	-	815,056.13	-	-
EXPENSES							
Operating Expenses							
Instruction	4,494,656.81	290,675.85	-	1,139.58	8,600.00	-	-
Academic Support	935,722.02	-	-	-	-	-	-
Student Services	1,042,033.95	-	-	-	-	-	-
Institutional Support	2,986,522.59	-	-	-	-	-	-
Operation and Maintenance	1,479,137.10	-	-	-	-	-	-
Auxiliary Expense	-	-	120,958.54	-	-	-	-
Scholarships	-	-	-	-	1,941,427.55	-	-
Capital Outlay	381,840.96	-	-	-	-	-	388,429.50
Lease Expense	136,320.26	-	-	-	-	-	-
Subscription Expense	23,814.51	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-
Total Operating Expenses	11,480,048.20	290,675.85	120,958.54	1,139.58	1,950,027.55	-	388,429.50
Operating Income (Loss)	(4,744,010.33)	(113,961.39)	(7,637.62)	(1,139.58)	(1,134,971.42)	-	(388,429.50)
Nonoperating Revenues (Expenses)							
State Appropriations	5,719,791.70	-	-	-	-	-	-
County Appropriations	-	137,174.60	-	-	-	-	-
Federal Pell Grant	-	-	-	-	1,115,983.00	-	-
Interest Income	278,388.04	-	-	-	-	-	-
Gifts and Contributions	4,126.82	-	-	-	-	-	300.00
Gain (Loss) on Sale of Assets	8,776.23	-	-	-	-	-	-
Operating Transfers	(94,014.00)	-	-	-	19,014.00	-	75,000.00
Increase (Decrease) in Net Position	1,173,058.46	23,213.21	(7,637.62)	(1,139.58)	25.58	-	(313,129.50)
Net Position - Beginning of Year	3,867,973.27	215,646.07	222,902.63	1,327.38	(3,670.56)	223.01	859,363.58
Net Position - End of Year	$ 5,041,031.73	$ 238,859.28	$ 215,265.01	$ 187.80	$ (3,644.98)	$ 223.01	$ 546,234.08

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Combining Schedule of Revenues, Expenses, and Changes in Net Position - Primary Institution
For the Year Ended June 30, 2025

	MISCELLANEOUS GRANTS	WELDING BUILDING	KANSAS PROMISE SCHOLARSHIPS	SPARKS & FEMA CORONAVIRUS RELIEF	INVESTMENT IN PLANT	SUB-TOTAL PRIMARY INSTITUTION	ELIMINATING INTER-COMPANY SCHOLARSHIPS	TOTALS - PRIMARY INSTITUTION
REVENUES								
Operating Revenues								
Student Tuition and Fees	$ -	$ -	$ -	$ -	$ -	$ 5,995,858.41	$ (995,052.85)	$ 5,000,805.56
Federal Grants and Contracts	-	189,118.70	-	-	-	1,295,180.37	(745,416.00)	549,764.37
State Grants and Contracts	-	-	475,477.10	-	-	551,253.52	-	551,253.52
Local Grants and Contracts	348,870.00	-	-	-	-	348,870.00	-	348,870.00
Charges for Services	-	-	-	-	-	207,932.46	-	207,932.46
Sales and Services of Auxiliary Enterprises	-	-	-	-	-	113,320.92	(55,946.39)	57,374.53
Other Operating Revenues	-	-	-	-	-	342,179.50	-	342,179.50
Total Operating Revenues	348,870.00	189,118.70	475,477.10	-	-	8,854,595.18	(1,796,415.24)	7,058,179.94
EXPENSES								
Operating Expenses								
Instruction	-	-	-	-	(44,483.84)	4,750,588.40	-	4,750,588.40
Academic Support	-	-	-	-	(64,256.11)	871,465.91	-	871,465.91
Student Services	-	-	-	-	(24,349.20)	1,017,684.75	-	1,017,684.75
Institutional Support	-	-	-	-	(116,831.11)	2,869,691.48	-	2,869,691.48
Operation and Maintenance	-	-	-	-	(435,585.12)	1,043,551.98	-	1,043,551.98
Auxiliary Expense	-	-	-	-	-	120,958.54	-	120,958.54
Scholarships	-	-	475,477.10	-	-	2,416,904.65	(1,796,415.24)	620,489.41
Capital Outlay	631,949.95	249,776.25	-	-	(1,110,274.85)	541,721.81	-	541,721.81
Lease Expense	-	-	-	-	(21,076.80)	115,243.46	-	115,243.46
Subscription Expense	-	-	-	-	(16,383.65)	7,430.86	-	7,430.86
Depreciation Expense	-	-	-	-	613,445.53	613,445.53	-	613,445.53
Total Operating Expenses	631,949.95	249,776.25	475,477.10	-	(1,219,795.15)	14,368,687.37	(1,796,415.24)	12,572,272.13
Operating Income (Loss)	(283,079.95)	(60,657.55)	-	-	1,219,795.15	(5,514,092.19)	-	(5,514,092.19)
Nonoperating Revenues (Expenses)								
State Appropriations	-	-	-	-	-	5,719,791.70	-	5,719,791.70
County Appropriations	-	-	-	-	-	137,174.60	-	137,174.60
Federal Pell Grant	-	-	-	-	-	1,115,983.00	-	1,115,983.00
Interest Income	-	-	-	-	-	278,388.04	-	278,388.04
Gifts and Contributions	408,933.09	-	-	-	-	413,359.91	-	413,359.91
Gain (Loss) on Sale of Assets	-	-	-	-	-	8,776.23	-	8,776.23
Operating Transfers	-	-	-	-	-	-	-	-
Increase (Decrease) in Net Position	125,853.14	(60,657.55)	-	-	1,219,795.15	2,159,381.29	-	2,159,381.29
Net Position - Beginning of Year	5,944.04	60,657.55	-	-	6,154,701.64	11,385,068.61	-	11,385,068.61
Net Position - End of Year	$ 131,797.18	$ -	$ -	$ -	$7,374,496.79	$ 13,544,449.90	$ -	$ 13,544,449.90

FLINT HILLS TECHNICAL COLLEGE

Emporia, Kansas

Schedule of Revenues, Expenditures, and
Changes in Unencumbered Cash – Budget and Actual

For the Year Ended June 30, 2025

Schedules 6 to 8 are prepared in accordance with Kansas cash basis laws (Regulatory Basis), which differs from generally accepted accounting principles (GAAP Basis). Cash receipts are recognized when the cash balance of a fund in increased. For an interfund transaction, a cash receipt is recorded in the fund receiving the cash from another fund. Cash disbursements are recognized when the cash balance of a fund is decreased. For an interfund transaction, a cash disbursement is recorded in the fund in which the cash is transferred. Expenditures include cash disbursements, transfers, accounts payable and encumbrances – that is, commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Current Funds - Unrestricted
General Fund (Regulatory Basis)
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

		Current Year				
	Prior Year Budget Basis	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	Variance Over (Under)
REVENUES						
Student Tuition and Fees						
Postsecondary Tuition	$ 1,540,246.68	$ 1,672,293.64	$ (20,635.01)	$ 1,651,658.63	$ 1,731,933.00	$ (80,274.37)
Secondary Tuition	2,972,265.00	2,957,426.00	-	2,957,426.00	2,957,426.00	-
Student Fees	984,860.99	1,139,669.34	-	1,139,669.34	1,120,200.00	19,469.34
Continuing Education	85,110.00	203,538.00	-	203,538.00	102,500.00	101,038.00
Customized Training	8,419.09	19,520.93	-	19,520.93	150,000.00	(130,479.07)
Total Student Tuition and Fees	5,590,901.76	5,992,447.91	(20,635.01)	5,971,812.90	6,062,059.00	(90,246.10)
Federal Sources						
Federal Grants	155,017.25	193,478.00	-	193,478.00	161,578.00	31,900.00
Total Federal Sources	155,017.25	193,478.00	-	193,478.00	161,578.00	31,900.00
State Sources						
State Operating Grant	2,620,908.00	2,486,819.00	-	2,486,819.00	2,486,819.00	-
Other State Sources	2,315,623.06	3,232,972.70	(661,099.70)	2,571,873.00	2,571,873.00	-
Total State Sources	4,936,531.06	5,719,791.70	(661,099.70)	5,058,692.00	5,058,692.00	-
Charges for Services						
Tech Service Income	215,983.22	207,932.46	-	207,932.46	234,000.00	(26,067.54)
Total Charges for Services	215,983.22	207,932.46	-	207,932.46	234,000.00	(26,067.54)
Other Sources						
Interest Income	236,950.65	278,388.04	-	278,388.04	235,000.00	43,388.04
Sale of Assets	23,941.20	8,776.23	-	8,776.23	1,000.00	7,776.23
Gifts and Contributions	118,022.88	4,126.82	-	4,126.82	-	4,126.82
Reimbursed Expense	206,343.79	295,632.82	-	295,632.82	250,418.00	45,214.82
Miscellaneous	50,883.16	46,546.68	-	46,546.68	56,939.00	(10,392.32)
Total Other Sources	636,141.68	633,470.59	-	633,470.59	543,357.00	90,113.59
TOTAL REVENUES	11,534,574.97	12,747,120.66	(681,734.71)	12,065,385.95	$ 12,059,686.00	$ 5,699.95

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Current Funds - Unrestricted
General Fund (Regulatory Basis)
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	Prior Year	Current Year				
	Budget Basis	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	Variance Over (Under)
EXPENDITURES						
Education and General						
Instruction	$ 4,249,960.82	$ 4,494,656.81	$ -	$ 4,494,656.81	$ 4,865,719.00	$ (371,062.19)
Academic Support	694,528.67	935,722.02	-	935,722.02	1,510,644.00	(574,921.98)
Student Services	591,672.11	1,042,033.95	-	1,042,033.95	782,207.00	259,826.95
Institutional Support	2,159,700.58	2,986,522.59	(717,248.13)	2,269,274.46	2,728,104.00	(458,829.54)
Operation and Maintenance	1,275,879.55	1,479,137.10	-	1,479,137.10	1,797,795.00	(318,657.90)
Capital Outlay	374,871.06	381,840.96	-	381,840.96	373,702.00	8,138.96
Lease Expense	76,915.68	136,320.26	-	136,320.26	-	136,320.26
Subscription Expense	8,523.51	23,814.51	-	23,814.51	-	23,814.51
Operating Transfers to:						
Deferred Maintenance Fund	750,000.00	75,000.00	-	75,000.00	-	75,000.00
Federal Financial Aid Fund	11,564.00	19,014.00	-	19,014.00	-	19,014.00
Total Certified Budget					12,058,171.00	(1,201,356.93)
Adjustments for Qualifying Budget Credits (Reimbursed Expense)					295,632.82	(295,632.82)
TOTAL EXPENDITURES	10,193,615.98	11,574,062.20	(717,248.13)	10,856,814.07	$ 12,353,803.82	$ (1,496,989.75)
Excess of Revenues Over (Under) Expenditures	1,340,958.99	1,173,058.46	35,513.42	1,208,571.88		
Unencumbered Cash Beginning of Year	2,896,810.93	3,867,973.27	369,796.65	4,237,769.92		
End of Year	$ 4,237,769.92	$ 5,041,031.73	$ 405,310.07	$ 5,446,341.80		

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Current Funds - Unrestricted
Adult Education Fund (Regulatory Basis)
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

		Current Year				
	Prior Year Budget Basis	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Budget	Variance Over (Under)
REVENUES						
Student Tuition and Fees						
Student Fees	$ 1,950.00	$ 3,410.50	$ -	$ 3,410.50	$ -	$ 3,410.50
Federal Sources						
Federal Grants	96,779.00	97,527.54	-	97,527.54	97,883.00	(355.46)
State Sources						
State Grants	57,555.84	75,776.42	-	75,776.42	51,937.00	23,839.42
Local Sources						
Local Tax	141,039.59	137,174.60	-	137,174.60	105,303.00	31,871.60
TOTAL REVENUES	297,324.43	313,889.06	-	313,889.06	$ 255,123.00	$ 58,766.06
EXPENDITURES						
Instruction	323,263.52	290,675.85	-	290,675.85	$ 255,123.00	$ 35,552.85
TOTAL EXPENDITURES	323,263.52	290,675.85	-	290,675.85	$ 255,123.00	$ 35,552.85
Excess of Revenues Over (Under) Expenditures	(25,939.09)	23,213.21	-	23,213.21		
Unencumbered Cash Beginning of Year	241,585.16	215,646.07	-	215,646.07		
End of Year	$ 215,646.07	$ 238,859.28	$ -	$ 238,859.28		

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Schedule of Revenues, Expenditures, and Changes
in Unencumbered Cash - Budget and Actual
Current Funds - Unrestricted
Auxiliary Enterprise Fund (Regulatory Basis)
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	Prior Year	Current Year					
	Total Auxiliary Enterprise Fund Budget Basis	Bookstore GAAP	Total Auxiliary Enterprise Fund GAAP	Adjustments To Budget Basis	Total Auxiliary Enterprise Fund Budget Basis	Final Budget	Variance Under (Over)
REVENUES							
Sales and Services of Auxiliary Enterprises	$ 81,976.78	$ 113,320.92	$ 113,320.92	$ -	$ 113,320.92	$ 120,000.00	$ (6,679.08)
TOTAL REVENUES	81,976.78	113,320.92	113,320.92	-	113,320.92	$ 120,000.00	$ (6,679.08)
EXPENDITURES							
Auxiliary Enterprise							
Salaries and Benefits	2,845.22	4,746.57	4,746.57	-	4,746.57	$ -	$ 4,746.57
General Operating Expense	80,301.14	116,211.97	116,211.97	(11,866.12)	104,345.85	121,514.00	(17,168.15)
TOTAL EXPENDITURES	83,146.36	120,958.54	120,958.54	(11,866.12)	109,092.42	$ 121,514.00	$ (12,421.58)
Excess of Revenues Over (Under) Expenditures and Other Additions (Deductions)	(1,169.58)	(7,637.62)	(7,637.62)	11,866.12	4,228.50		
Unencumbered Cash Beginning of Year	203,245.47	222,902.63	222,902.63	(20,826.74)	202,075.89		
End of Year	$ 202,075.89	$ 215,265.01	$ 215,265.01	$ (8,960.62)	$ 206,304.39		

Schedule 9

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas
Schedule of Changes in Assets and Liabilities
All Agency Funds - Primary Institution
For the Year Ended June 30, 2025

	Primary Institution			
ACCOUNT NAME	BALANCE JUNE 30, 2024	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2025
AGENCY FUND				
School Projects Accounts				
Flex Spending Account	$ 6,912.83	$ 28,823.82	$ 27,405.76	$ 8,330.89
Total School Projects	2,257.59	28,823.82	27,405.76	8,330.89
Student Organization Accounts				
Student Activities	4,587.69	14,585.85	7,532.02	11,641.52
Student Senate	4,507.18	4,275.36	1,300.75	7,481.79
Automotive Tech	6,777.15	1,250.68	87.36	7,940.47
Phi Beta Lamda	1,308.30	-	-	1,308.30
Machine Tool Technology	183.39	-	-	183.39
Industrial Engineering	1,892.23	1,471.29	1,822.13	1,541.39
Christian Connection	51.75	-	-	51.75
Culinary Arts	1,285.79	2,475.36	3,004.85	756.30
Dental Assistant	2,239.65	1,247.11	1,066.87	2,419.89
Graphic Arts	2,428.80	-	704.06	1,724.74
Nursing - HOSA	6,546.26	1,851.50	1,211.53	7,186.23
Paramedic/EMS	309.45	250.00	349.02	210.43
Hygiene	(998.14)	21,537.56	20,187.45	351.97
Welding	3,503.94	100.00	1,096.41	2,507.53
Disc Golf	714.34	-	-	714.34
HALO	137.27	205.50	-	342.77
SYOB	279.60	-	-	279.60
FOOD PANTRY	1,102.54	5,262.50	2,754.61	3,610.43
Total Student Organizations	36,857.19	54,512.71	41,117.06	50,252.84
TOTAL AGENCY FUNDS	$ 30,995.79	$ 83,336.53	$ 68,522.82	$ 58,583.73
Assets				
Cash and Investments	$ 43,770.02	$ 83,336.53	$ 68,165.55	$ 58,941.00
TOTAL ASSETS	$ 30,995.79	$ 83,336.53	$ 68,165.55	$ 58,941.00
Liabilities				
Accounts Payable	$ -	$ -	$ 357.27	$ 357.27
Deposits Held For Others	43,770.02	83,336.53	68,522.82	58,583.73
TOTAL LIABILITIES	$ 43,770.02	$ 83,336.53	$ 68,880.09	$ 58,941.00

FLINT HILLS TECHNICAL COLLEGE
EMPORIA, KANSAS

FEDERAL COMPLIANCE SECTION

For the Year Ended June 30, 2025

EIN NUMBER: 52-2441491
OPE ID NUMBER: 00526400
DUNS NUMBER: 791539708
UEI NUMBER: J1WTKHPS3623

COMPLIANCE ATTESTATION EXAMINATION
INCLUDING TITLE IV STUDENT FINANCIAL ASSISTANCE PROGRAMS

EMPORIA, KANSAS
TOPEKA, KANSAS

FEDERAL PELL GRANT PROGRAM (PELL) (84.063)
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (FSEOG) (84.007)
FEDERAL WORK-STUDY PROGRAM (FWS) (84.033)
FEDERAL DIRECT STUDENT LOANS (DIRECT LOAN) (84.268)

AUDITOR INFORMATION SHEET

FLINT HILLS TECHNICAL COLLEGE
3301 W. 18TH Ave.
Emporia, Kansas 66801

EIN NUMBER: 52-2441491
OPE ID NUMBER: 00526400
DUNS NUMBER: 791539708
UEI NUMBER: J1WTKHPS3623

TELEPHONE: (620) 343-4600
FAX: (620) 343-4610

PRESIDENT: Dr. Caron Daugherty
CONTACT PERSON & TITLE: Nancy Thompson, Vice President of Business Services

LEAD AUDITOR: Neil L. Phillips, CPA
EMAIL ADDRESS: nphillips@jgppa.com
LICENSE NUMBER & HOME STATE: 2005 KS
FIRM'S NAME & ADDRESS: JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants
1815 S. Santa Fe
P.O. Box 779
Chanute, Kansas 66720
FIRM'S FEDERAL ID NUMBER: 20-3906022
TELEPHONE: (620) 431-6342
FAX: (620) 431-0724

PROGRAMS EXAMINED:	PELL	84.063
	FSEOG	84.007
	FWS	84.033
	DIRECT LOAN	84.268

For the Award Year that ended during the institution's fiscal year, the percentage of:

Correspondence or telecommunication courses to total courses	NONE
Regular students enrolled in correspondence courses	NONE
Regular students that are incarcerated	NONE
Regular students enrolled based on ability to benefit	NONE
For short term programs—	
Completion	N/A
Placement	N/A

The campuses/locations considered as part of this entity and covered or excluded by this examination are:

ALL LOCATIONS	> 50% OF PROGRAM OFFERED @ SITE	LOCATION ON ELIGIBILITY LETTER	NOTICE TO ED PRIOR TO OFFERING INSTRUCTION	DATE OPENED	DATE CLOSED	DATE OF CPA'S LAST VISIT	EXCLUSION REASON
Emporia, KS	Yes	Yes	Yes	1999	N/A	2025	N/A
Topeka, KS	No	Yes	Yes	2014	N/A	2025	N/A

Institution's Primary Accrediting Organization: North Central Association of Colleges and Schools

The College does not use a servicer.

Records for the accounting and administration of the SFA Programs are located at:

FLINT HILLS TECHNICAL COLLEGE
3301 W 18TH AVE
EMPORIA, KANSAS 66801

For Close-Out Examination only: N/A

FLINT HILLS TECHNICAL COLLEGE

Emporia, Kansas

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	Pass-Through Entity Identifying Number	Federal Assistance Number	Passed Through to Subrecipients		Disbursements/ Expenditures
U.S. DEPARTMENT OF EDUCATION					
Direct Programs					
Student Financial Assistance Programs Cluster					
Federal Supplemental Education Opportunity	N/A	84.007	$ -		$ 39,086.00
Federal College Work-Study	N/A	84.033	-		30,554.13
Federal Pell Grant	N/A	84.063	-		1,115,983.00
Federal Pell Grant - Admin	N/A	84.063	-		1,135.00
		Total 84.063	-		1,117,118.00
Federal Direct Student Loans	N/A	84.268	-	(1)	745,416.00
Total Student Financial Assistance Programs Cluster			-		1,932,174.13
Passed through the Kansas Board of Regents					
Adult Basic Education Program	V002A220016	84.002A	-		97,883.00
Adult Basic Education Program - Discretionary	V002A220016	84.002A	-		1,211.16
Adult Basic Education Program - Expansion	V002A220016	84.002A	-		25,208.80
		Total 84.002A	-		124,302.96
Carl Perkins Vocational Education Grants:					
Program Improvement	V048A210016	84.048	-		157,578.00
Expansion	V048A200016	84.048	-		27,900.00
Incentive	V048A200016/210016	84.048	-		8,000.00
		Total 84.048	-		193,478.00
Total U.S. Department of Education			-		2,249,955.09
U.S. DEPARTMENT OF THE TREASURY					
Passed through the Kansas Department of Commerce					
Coronavirus State and Local Fiscal Recovery Funds - COVID-19	FY23-CTC-FLI	21.027	-		215,638.98
Total U.S. Department of the Treasury			-		215,638.98
FEDERAL ASSISTANCE TOTALS			$ -		$ 2,465,594.07

NOTE A -- BASIS OF PRESENTATION

This schedule has been prepared in accordance with accounting principles generally accepted in the United States of America. Revenues are recorded when earned. Expenditures are recorded when goods or services are received.

NOTE B -- INDIRECT COST RATE

Flint Hills Technical College did not elect to use the de minimis cost rate.

(1) These are subsidized and unsubsidized loans to students and parents at the College and are not included in the College's revenues and expenditures.

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*

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Flint Hills Technical College
Emporia, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Flint Hills Technical College, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Flint Hills Technical College's basic financial statements and have issued our report thereon dated January 12, 2026.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Flint Hills Technical College'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Flint Hills Technical College's internal control. Accordingly, we do not express an opinion on the effectiveness of the Flint Hills Technical College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's 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 charged with governance.

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

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Flint Hills Technical College's financial statements are 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 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 College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
January 12, 2026

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

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Flint Hills Technical College
Emporia, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited Flint Hills Technical College's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Flint Hills Technical College's major federal programs for the year ended June 30, 2025. Flint Hills Technical College'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, Flint Hills Technical College 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, 2025.

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 Flint Hills Technical College 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 Flint Hills Technical College's compliance with the compliance requirements referred to above.

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

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Flint Hills Technical College'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 judgment made by a reasonable user of the report on compliance about Flint Hills Technical College'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 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 Flint Hills Technical College'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 Flint Hills Technical College 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 Flint Hills Technical College's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

Purpose of this Report
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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
January 12, 2026

Schedule 11

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:
The auditor's report expresses an unmodified opinion on the basic financial statements of Flint Hills Technical College.

Internal Control over Financial Reporting:

Material weakness(es) identified?	____ Yes	__X__	No
Significant deficiency(ies) identified?	____ Yes	__X__	None Reported
Noncompliance or other matters required to be reported under *Government Auditing Standards*	____ Yes	__X__	No

Federal Awards:

Internal control over major programs:			
Material weakness(es) identified?	____ Yes	__X__	No
Significant deficiency(ies) identified?	____ Yes	__X__	None Reported

The auditor's report on compliance for the major federal award programs for Flint Hills Technical College expresses an unmodified opinion.

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

Identification of major programs:

U.S. DEPARTMENT OF EDUCATION
Student Financial Aid Cluster
Federal Pell Grant Program – ALN No. 84.063
Federal Supplemental Educational Opportunity Grant – ALN No. 84.007
Federal College Work-Study Program – ALN No. 84.033
Federal Direct Student Loans – ALN No. 84.268

The threshold for distinguishing Types A and B programs was $750,000.00.

Auditee qualified as a low risk auditee?	__X__ Yes	____	No

II. FINANCIAL STATEMENT FINDINGS
NONE

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
NONE

Schedule 12

FLINT HILLS TECHNICAL COLLEGE
Emporia, Kansas

Schedule of Resolution of Prior Year's Audit Findings and Questioned Costs
For the Year Ended June 30, 2025

NONE