**UNIFIED SCHOOL DISTRICT NO. 379**

Clay Center, Kansas

**FINANCIAL STATEMENT**

**WITH REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION**

**AND**

**INDEPENDENT AUDITOR'S REPORT**

June 30, 2023

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**TABLE OF CONTENTS**
June 30, 2023


| | | Page |
|---|---|---|
| **INDEPENDENT AUDITOR'S REPORT** | | 1 - 3 |
| **FINANCIAL STATEMENT** | | |
| Summary Statement of Receipts, Expenditures And Unencumbered Cash | Statement 1 | 4 |
| **NOTES TO FINANCIAL STATEMENT** | | 5 - 11 |
| **REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION** | | |
| Summary of Expenditures - Actual and Budget | Schedule 1 | 13 |
| Schedule of Receipts and Expenditures - Actual and Budget | | |
| General Fund | Schedule 2 | 14 |
| Supplemental General Fund | Schedule 2 | 15 |
| Preschool-Aged At-Risk Fund | Schedule 2 | 16 |
| At-Risk (K-12) Fund | Schedule 2 | 17 |
| Bilingual Education Fund | Schedule 2 | 18 |
| Virtual Education Fund | Schedule 2 | 19 |
| Capital Outlay Fund | Schedule 2 | 20 |
| Driver Training Fund | Schedule 2 | 21 |
| Contingency Reserve Fund - Actual | Schedule 2 | 22 |
| Food Service Fund | Schedule 2 | 23 |
| Professional Development Fund | Schedule 2 | 24 |
| Parent Education Fund | Schedule 2 | 25 |
| Special Education Fund | Schedule 2 | 26 |
| Career and Postsecondary Education Fund | Schedule 2 | 27 |
| Special Education Cooperative Fund | Schedule 2 | 28 |
| KPERS Special Retirement Contribution Fund | Schedule 2 | 29 |
| Textbook Rental Fund - Actual | Schedule 2 | 30 |
| Gifts and Grants Fund | Schedule 2 | 31 |
| Federal Funds | Schedule 2 | 32 |
| Bond and Interest Fund | Schedule 2 | 33 |
| Summary of Receipts and Disbursements - Agency Funds | Schedule 3 | 34 |
| Schedule of Receipts, Expenditures, and Unencumbered Cash - Activity Funds | Schedule 4 | 35 |
| **GOVERNMENTAL AUDIT SECTION** | | |
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Performed in Accordance With *Government Auditing Standards* | | 36 - 37 |
| Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance | | 38 - 39 |
| Scheduled of Expenditures of Federal Awards | | 40 - 41 |
| Schedule of Findings and Questioned Costs | | 42 |

October 4, 2023

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 379
Clay Center, Kansas

**Independent Auditor's Report**

***Adverse and Unmodified Opinions***
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 379 (the District), as of and for the year ended June 30, 2023 and the related notes to the financial statement.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2023, or changes in financial position and cash flows thereof for the year then ended.

***Unmodified Opinion on Regulatory Basis of Accounting***
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2023, and the aggregate receipts and expenditures for they year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* (KMAAG) described in Note 1.

***Basis for Adverse and Unmodified Opinions***
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), KMAAG, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

***Matter Giving Rise to the Adverse Opinion on U.S. Generally Accepted Accounting Principles***
As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Responsibilities of Management for the Financial Statement***
Management is responsible for the preparation and fair presentation of the financial statement in accordance with KMAAG as described in Note 1; this includes determining regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1020 Commercial St., Suite A
Emporia, KS 66801

***Auditor's Responsibilities for the Audit of the Financial Statement***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1,2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

***Other Supplementary Information***
Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the District's basic financial statement. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole.

**Other Reporting Required by Government Auditing Standards**
In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Districts internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

**UNIFIED SCHOOL DISTRICT NO. 379**

Clay Center, Kansas

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**

Regulatory Basis

For the Year Ended June 30, 2023

| | Beginning Unencumbered Cash Balance | Prior Year Cancelled Encumbrances | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Outstanding Encumbrances and Accounts Payable | Ending Cash Balance |
|---|---|---|---|---|---|---|---|
| **GOVERNMENTAL TYPE FUNDS** | | | | | | | |
| General Funds: | | | | | | | |
| General | $ - | $ - | $ 10,323,562 | $ 10,323,558 | $ 4 | $ 16,578 | $ 16,582 |
| Supplemental General | 289,302 | - | 3,102,518 | 3,203,819 | 188,001 | - | 188,001 |
| Special Purpose Funds | | | | | | | |
| Preschool-Aged At-Risk | 52,429 | - | 60,000 | 59,649 | 52,780 | - | 52,780 |
| At-Risk (K-12) Fund | 369,131 | - | 1,515,000 | 1,514,358 | 369,773 | - | 369,773 |
| Bilingual Education Fund | 7,365 | - | 1,000 | 5,000 | 3,365 | - | 3,365 |
| Virtual Education Fund | 44,603 | - | 19,120 | 63,723 | - | - | - |
| Capital Outlay Fund | 1,851,063 | - | 2,337,618 | 2,849,920 | 1,338,761 | 615,752 | 1,954,513 |
| Driver Training Fund | 65,437 | - | 23,075 | 20,770 | 67,742 | - | 67,742 |
| Contingency Reserve Fund | 534,981 | - | 268,175 | - | 803,156 | - | 803,156 |
| Food Service Fund | 406,347 | - | 903,208 | 844,831 | 464,724 | - | 464,724 |
| Professional Development Fund | 54,585 | - | 53,370 | 53,478 | 54,477 | - | 54,477 |
| Parent Education Fund | 15,914 | - | 93,441 | 98,056 | 11,299 | - | 11,299 |
| Special Education Fund | 804,826 | - | 1,911,453 | 1,909,829 | 806,450 | - | 806,450 |
| Career and Postsecondary Education Fund | 242,330 | - | 489,284 | 484,550 | 247,064 | - | 247,064 |
| Special Education Cooperative Fund | 979,321 | - | 5,283,231 | 5,419,390 | 843,162 | - | 843,162 |
| KPERS Special Retirement Contribution Fund | - | - | 1,660,902 | 1,660,902 | - | - | - |
| Textbook Rental Fund | 203,978 | - | 238,529 | 220,968 | 221,539 | - | 221,539 |
| Gifts and Grants Fund | 53,986 | - | 1,029,470 | 1,002,671 | 80,785 | 29,081 | 109,866 |
| Grants Fund | (45,162) | - | 1,163,447 | 1,164,939 | (46,654) | - | (46,654) |
| District Activity | 31,111 | - | 143,926 | 139,690 | 35,347 | - | 35,347 |
| Bond and Interest Funds | | | | | | | |
| Bond and Interest | 1,203,186 | - | 1,456,993 | 1,405,827 | 1,254,352 | - | 1,254,352 |
| **Total Reporting Entity (Excluding Agency Funds)** | $ 7,164,733 | $ - | $ 32,077,322 | $ 32,445,928 | $ 6,796,127 | $ 661,411 | $ 7,457,538 |

| | |
|---|---|
| **Composition of Cash** | |
| Checking | |
| Union State Bank | $ 7,471,006 |
| United Bank & Trust | 104,429 |
| Riley State Bank | 27,554 |
| **Total Cash** | $ 7,602,989 |
| Less: Agency Funds per Schedule 3 | (145,451) |
| **Total Reporting Entity (Excluding Agency Funds)** | $ 7,457,538 |

The accompanying notes are an integral part of this financial statement.

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**NOTES TO FINANCIAL STATEMENT**
For the Year Ended June 30, 2023

## Note 1: Summary of Significant Accounting Policies

Unified School District No. 379 (the District) is a Kansas school district governed by an elected seven-member Board of Education. The District prepares and reports its financial information in conformance with the regulatory basis of accounting as prescribed by the Director of Accounts and Reports of the State of Kansas and published in the *Kansas Municipal Audit and Accounting Guide*.

### Reimbursed Expenses

Expenditures in the amount of $120,896, $4,316 and $388,449 are classified as reimbursed expenses in the General Fund, Supplemental General Fund and Capital Outlay Fund, respectively. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

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

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

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

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

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

### Regulatory Basis Fund Types

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

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

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

**Agency Fund** -- used to report assets held by the District in a purely custodial capacity.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute) and bond and interest funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding twelve month period on or before August 1st of each year.

2. Publication in a local newspaper of the proposed budget and this notice of public hearing on the budget on or before August 5th.

3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.

4. Adoption of the final budget on or before August 25th.

If the District is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

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

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

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

| | |
|---|---|
| Contingency Reserve | District Activity |
| Textbook Rental | |

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

**Note 2: Deposits and Investments**

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

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

**Note 2: Deposits and Investments (Continued)**

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

*Custodial credit risk -- deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. K.S.A. 9-1402 and 9-1405 require the District's deposits in a financial institution 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.

At June 30, 2023, the carrying amount of the District's deposits was $7,602,989. The bank balance was $9,068,939. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balances, $389,983, was secured by FDIC insurance and the remaining $8,678,956 was collateralized by pledged securities with a fair market value of $10,516,713 held under joint custody receipts issued by a third-party bank in the District's name. The third-party bank holding the pledged securities is independent of the pledging bank.

*Custodial credit risk -- investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. As of June 30, 2023, the District had no cash investments.

**Note 3: Interfund Transfers**

Transfers were as follows:

| From | To | Regulatory Authority | Amount |
|---|---|---|---|
| General | At-Risk (K-12) | K.S.A. 72-6478 | $ 1,165,000 |
| General | Contingency Reserve | K.S.A. 72-6478 | 268,175 |
| General | Career & Post Sec Education | K.S.A. 72-6478 | 190,000 |
| General | Food Service | K.S.A. 72-6478 | 9,297 |
| General | Parents as Teachers | K.S.A. 72-6478 | 28,810 |
| General | At-Risk (Preschool) | K.S.A. 72-6478 | 60,000 |
| General | Special Education | K.S.A. 72-6478 | 1,175,740 |
| General | Virtual Education | K.S.A. 72-6478 | 5,000 |
| Supplemental General | Professional Development | K.S.A. 72-6478 | 45,000 |
| Supplemental General | Virtual | K.S.A. 72-6478 | 14,120 |
| Supplemental General | At-Risk (K-12) | K.S.A. 72-6478 | 350,000 |
| Supplemental General | Bilingual | K.S.A. 72-6478 | 1,000 |
| Supplemental General | Career & Post Sec Education | K.S.A. 72-6478 | 275,000 |
| Supplemental General | Special Education | K.S.A. 72-6478 | 728,000 |
| Supplemental General | Textbook Rental | K.S.A. 72-6478 | 170,000 |
| **Total Transfers** | | | $ 4,485,142 |

**Note 4: Long-Term Debt**

Following is a summary of long-term debt transactions of the District for the year:

| | Interest Rates | Date of Issue | Amount of Issue | Date of Final Maturity | Balance Beginning of Year | Additions | Reductions/ Payments | Net Changes | Balance End of Year | Interest Paid |
|---|---|---|---|---|---|---|---|---|---|---|
| **General Obligation Bonds** | | | | | | | | | | |
| Series 2015-A | 2.00-4.00% | 5/1/14 | $ 7,600,000 | 9/1/24 | $ 1,910,000 | $ - | $ 625,000 | $ (625,000) | $ 1,285,000 | $ 33,575 |
| Series 2022-A (Refunding) | | 1/6/22 | 4,645,000 | 9/1/26 | 4,645,000 | - | 670,000 | (670,000) | 3,975,000 | 71,115 |
| **Lease Purchase** | | | | | | | | | | |
| HVAC Equipment | 2.89% | 4/14/20 | 1,998,860 | 4/15/30 | 1,613,463 | - | 186,261 | (186,261) | 1,427,202 | 44,180 |
| **Total Long-Term Debt** | | | | | $ 8,168,463 | $ - | $ 1,481,261 | $ (1,481,261) | $ 6,687,202 | $ 148,870 |

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

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029-2033 | Total |
|---|---|---|---|---|---|---|---|
| **Principal** | | | | | | | |
| Series 2015-A | $ 635,000 | $ 650,000 | $ - | $ - | $ - | $ - | $ 1,285,000 |
| Series 2022 | 755,000 | 615,000 | 1,290,000 | 1,315,000 | - | - | 3,975,000 |
| HVAC Equipment | 191,611 | 197,325 | 203,103 | 209,052 | 215,136 | 410,975 | 1,427,202 |
| **Total Principal** | $ 1,581,611 | $ 1,462,325 | $ 1,493,103 | $ 1,524,052 | $ 215,136 | $ 410,975 | $ 6,687,202 |
| **Interest** | | | | | | | |
| Series 2015-A | $ 20,976 | $ 7,313 | $ - | $ - | $ - | $ - | $ 28,289 |
| Series 2022 | 59,359 | 48,056 | 32,340 | 10,849 | - | - | 150,604 |
| HVAC Equipment | 38,830 | 33,113 | 27,334 | 21,387 | 15,302 | 11,492 | 147,458 |
| **Total Interest** | $ 119,165 | $ 88,482 | $ 59,674 | $ 32,236 | $ 15,302 | $ 11,492 | $ 326,351 |

**Note 5: Defined Benefit Pension Plan**

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.20% and 13.33%, respectively, for the fiscal year ended June 30, 2022. The actuarially determined employer contribution rate and the statutory contribution rate was 13.88% and 13.11% for the fiscal year ended June 30, 2023.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual payments of $19.4 million starting in fiscal year 2020.

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the KPERS School Group. A payment of $56 million was paid in fiscal year 2018. This bill also authorized a payment of $82 million in fiscal year 2019. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for Fiscal Year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021. The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $1,660,902 for the year ended June 30, 2023.

*Net Pension Liability.* At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was $15,288,392. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2022. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

**Note 6: Compensated Absences**

Classified personnel employed on a twelve month full-time status are eligible for a paid two week vacation. Vacation days may not be carried over from one fiscal year to another.

Payment for accumulated unused sick leave to a maximum of 60 days will be made upon retirement, death, or reduction in force. Payment will be based on a total number of full years of service in the District, less the number of prior years of service for which payment has been made. The rate of payment will be determined by the daily rate in effect at the time of retirement. The total number of full years of service and the reimbursement schedule is as follows:

| Number of Full Year of Service | Rate of Payment (Percentage of Daily Base Pay Rate) |
|---|---|
| 0 - 3 | 0% |
| 4 - 9 | 15% |
| 10 - 19 | 20% |
| 20 - 29 | 25% |
| 30+ | 30% |

The District has not recorded or computed this liability.

**Note 7: Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settlements of claims have not exceeded coverage during the past three fiscal years.

**Note 8: Commitments and Contingencies**

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material negative effect on the financial statement of the District as of June 30, 2023.

**Note 9: Other Post Employment Benefits**

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the 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 District under this program.

**Note 10: Death and Disability Other Post Employment Benefits**

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2023.

**Note 11: Subsequent Events**

Management has evaluated the effects on the financial statement of subsequent events occurring through October 4, 2023, which is the date at which the financial statement was available to be issued.

# REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**
For the Year Ended June 30, 2023

| Funds | Certified Budget | Adjustment to Comply with Legal Max | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance - Over (Under) |
|---|---|---|---|---|---|---|
| Governmental Type Funds | | | | | | |
| General Funds | | | | | | |
| General | $ 10,437,586 | $ (234,924) | $ 120,896 | $ 10,323,558 | $ 10,323,558 | $ - |
| Supplemental General | 3,256,644 | (57,140) | 4,315 | 3,203,819 | 3,203,819 | - |
| Special Purpose Funds | | | | | | |
| At-Risk (K-12) Fund | 1,922,700 | - | - | 1,922,700 | 1,514,358 | (408,342) |
| Preschool-Aged At-Risk | 120,500 | - | - | 120,500 | 59,649 | (60,851) |
| Bilingual Education Fund | 12,000 | - | - | 12,000 | 5,000 | (7,000) |
| Virtual Education Fund | 79,300 | - | - | 79,300 | 63,723 | (15,577) |
| Capital Outlay Fund | 3,959,000 | - | 388,449 | 4,347,449 | 2,849,920 | (1,497,529) |
| Driver Training Fund | 54,000 | - | - | 54,000 | 20,770 | (33,230) |
| Food Service Fund | 1,518,500 | - | - | 1,518,500 | 844,831 | (673,669) |
| Professional Development Fund | 54,000 | - | - | 54,000 | 53,478 | (522) |
| Parent Education Fund | 107,500 | - | - | 107,500 | 98,056 | (9,444) |
| Special Education Fund | 2,799,517 | - | - | 2,799,517 | 1,909,829 | (889,688) |
| Career and Postsecondary Education Fund | 745,000 | - | - | 745,000 | 484,550 | (260,450) |
| Special Education Cooperative Fund | 6,323,000 | - | - | 6,323,000 | 5,419,390 | (903,610) |
| KPERS Special Retirement Contribution Fund | 1,702,027 | - | - | 1,702,027 | 1,660,902 | (41,125) |
| Gifts and Grants Fund | 1,172,500 | - | - | 1,172,500 | 1,002,671 | (169,829) |
| Federal Funds | 1,486,500 | - | - | 1,486,500 | 1,164,939 | (321,561) |
| Debt Service Fund | | | | | | |
| Bond and Interest | 1,399,690 | - | - | 1,399,690 | 1,405,827 | 6,137 |
| | $ 37,149,964 | $ (292,064) | $ 513,660 | $ 37,371,560 | $ 32,085,270 | $ (5,286,290) |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**GENERAL FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| State aid | $ 10,202,666 | $ 10,437,586 | $ (234,920) |
| Reimbursements | 120,896 | - | 120,896 |
| **Total Cash Receipts** | $ 10,323,562 | $ 10,437,586 | $ (114,024) |
| **EXPENDITURES** | | | |
| Instruction | $ 3,373,764 | $ 3,697,091 | $ (323,327) |
| Student support services | 502,915 | 381,000 | 121,915 |
| Instructional support services | 307,377 | 335,000 | (27,623) |
| General administration | 411,978 | 326,000 | 85,978 |
| School administration | 976,731 | 1,023,500 | (46,769) |
| Central services | 127,458 | 136,500 | (9,042) |
| Operations and maintenance | 1,115,018 | 1,039,500 | 75,518 |
| Student transportation services | 606,295 | 626,300 | (20,005) |
| Transfers | 2,902,022 | 2,872,695 | 29,327 |
| Adjustment to comply with legal maximum budget | - | (234,924) | 234,924 |
| Adjustment for qualifying budget credits | - | 120,896 | (120,896) |
| **Total Expenditures** | $ 10,323,558 | $ 10,323,558 | $ - |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 4 | | |
| **UNENCUMBERED CASH - BEGINNING** | - | | |
| **UNENCUMBERED CASH - ENDING** | $ 4 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**SUPPLEMENTAL GENERAL FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Ad valorem taxes | $ 1,702,032 | $ 1,729,668 | $ (27,636) |
| Delinquent taxes | 18,176 | 15,505 | 2,671 |
| Local Sources - Reimbursed Expenses | 4,316 | - | 4,316 |
| Motor vehicle taxes | 141,066 | 132,660 | 8,406 |
| State aid | 1,236,928 | 1,259,019 | (22,091) |
| **Total Cash Receipts** | $ 3,102,518 | $ 3,136,852 | $ (34,334) |
| **EXPENDITURES** | | | |
| Instruction | $ 1,403,990 | $ 1,556,756 | $ (152,766) |
| Instructional support services | 67 | - | 67 |
| General administration | 39,472 | 50,000 | (10,528) |
| School administration | 20,977 | 12,000 | 8,977 |
| Central services | 140,987 | 140,000 | 987 |
| Operations and maintenance | 15,206 | 18,500 | (3,294) |
| Transfers | 1,583,120 | 1,479,388 | 103,732 |
| Adjustment to comply with legal maximum budget | - | (57,140) | 57,140 |
| Adjustment for qualifying budget credits | - | 4,315 | (4,315) |
| **Total Expenditures** | $ 3,203,819 | $ 3,203,819 | $ - |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ (101,301) | | |
| **UNENCUMBERED CASH - BEGINNING** | 289,302 | | |
| **UNENCUMBERED CASH - ENDING** | $ 188,001 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**PRESCHOOL-AGED AT-RISK**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Transfers | $ 60,000 | $ 75,000 | $ (15,000) |
| **EXPENDITURES** | | | |
| Instruction | $ 59,649 | $ 120,500 | $ (60,851) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 351 | | |
| **UNENCUMBERED CASH - BEGINNING** | 52,429 | | |
| **UNENCUMBERED CASH - ENDING** | $ 52,780 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**AT RISK (K-12) FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Transfers | $ 1,515,000 | $ 1,535,796 | $ (20,796) |
| **EXPENDITURES** | | | |
| Instruction | $ 1,514,358 | $ 1,800,000 | $ (285,642) |
| Student support services | - | 122,700 | (122,700) |
| **Total Expenditures** | $ 1,514,358 | $ 1,922,700 | $ (408,342) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 642 | | |
| **UNENCUMBERED CASH - BEGINNING** | 369,131 | | |
| **UNENCUMBERED CASH - ENDING** | $ 369,773 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**BILINGUAL EDUCATION FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Transfers | $ 1,000 | $ 5,977 | $ (4,977) |
| **EXPENDITURES** | | | |
| Instruction | $ 5,000 | $ 12,000 | $ (7,000) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ (4,000) | | |
| **UNENCUMBERED CASH - BEGINNING** | 7,365 | | |
| **UNENCUMBERED CASH - ENDING** | $ 3,365 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**VIRTUAL EDUCATION FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
**Regulatory Basis**
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Transfers | $ 19,120 | $ 40,000 | $ (20,880) |
| **EXPENDITURES** | | | |
| Instruction | $ 63,723 | $ 79,300 | $ (15,577) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ (44,603) | | |
| **UNENCUMBERED CASH - BEGINNING** | 44,603 | | |
| **UNENCUMBERED CASH - ENDING** | $ - | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**CAPITAL OUTLAY FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Ad valorem taxes | $ 1,111,398 | $ 1,039,522 | $ 71,876 |
| Delinquent taxes | 9,072 | 9,496 | (424) |
| Motor vehicle taxes | 84,893 | 79,627 | 5,266 |
| Federal aid | 62,326 | 55,000 | 7,326 |
| State aid | 179,284 | 180,767 | (1,483) |
| Miscellaneous | 327,370 | 750,000 | (422,630) |
| Reimbursements | 388,449 | - | 388,449 |
| Interest on idle funds | 174,826 | 18,000 | 156,826 |
| **Total Cash Receipts** | $ 2,337,618 | $ 2,132,412 | $ 205,206 |
| **EXPENDITURES** | | | |
| Instruction | $ 143,338 | $ 115,000 | $ 28,338 |
| Operations and maintenance | 1,172,289 | 1,393,000 | (220,711) |
| Student transportation services | 184,775 | 166,000 | 18,775 |
| Facility acquisition and construction services | 1,349,518 | 2,285,000 | (935,482) |
| Adjustment for qualifying budget credits | - | 388,449 | (388,449) |
| **Total Expenditures** | $ 2,849,920 | $ 4,347,449 | $ (1,497,529) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ (512,302) | | |
| **UNENCUMBERED CASH- BEGINNING** | 1,851,063 | | |
| **UNENCUMBERED CASH - ENDING** | $ 1,338,761 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**DRIVER TRAINING FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| State aid | $ 6,860 | $ 6,075 | $ 785 |
| Charges for services | 12,215 | - | 12,215 |
| Reimbursements | 4,000 | - | 4,000 |
| **Total Cash Receipts** | $ 23,075 | $ 6,075 | $ 17,000 |
| **EXPENDITURES** | | | |
| Instruction | $ 19,964 | $ 52,000 | $ (32,036) |
| Operations and maintenance | 806 | 2,000 | (1,194) |
| **Total Expenditures** | $ 20,770 | $ 54,000 | $ (33,230) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 2,305 | | |
| **UNENCUMBERED CASH - BEGINNING** | 65,437 | | |
| **UNENCUMBERED CASH - ENDING** | $ 67,742 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**CONTINGENCY RESERVE FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**
**Regulatory Basis**
For the Year Ended June 30, 2023

| | |
|---|---|
| **CASH RECEIPTS** | |
| Transfers | $ 268,175 |
| **EXPENDITURES** | |
| Instruction | $ - |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 268,175 |
| **UNENCUMBERED CASH - BEGINNING** | 534,981 |
| **UNENCUMBERED CASH - ENDING** | $ 803,156 |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**FOOD SERVICE FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Federal aid | $ 610,059 | $ 649,268 | $ (39,209) |
| State aid | 7,367 | 8,800 | (1,433) |
| Charges for services | 266,742 | 666,670 | (399,928) |
| Interest | 9,743 | 1,000 | 8,743 |
| Transfers | 9,297 | 12,000 | (2,703) |
| **Total Cash Receipts** | $ 903,208 | $ 1,337,738 | $ (434,530) |
| **EXPENDITURES** | | | |
| Operations & Maintenance | $ 467 | $ 46,500 | $ (46,033) |
| Food service operation | 844,364 | 1,472,000 | (627,636) |
| **Total Expenditures** | $ 844,831 | $ 1,518,500 | $ (673,669) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 58,377 | | |
| **UNENCUMBERED CASH- BEGINNING** | 406,347 | | |
| **UNENCUMBERED CASH - ENDING** | $ 464,724 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**PROFESSIONAL DEVELOPMENT FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| State aid | $ 8,370 | $ - | $ 8,370 |
| Transfers | 45,000 | 25,000 | 20,000 |
| **Total Cash Receipts** | $ 53,370 | $ 25,000 | $ 28,370 |
| **EXPENDITURES** | | | |
| Instruction | $ 10,793 | $ - | $ 10,793 |
| Instructional support services | 42,685 | 54,000 | (11,315) |
| **Total Expenditures** | $ 53,478 | $ 54,000 | $ (522) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ (108) | | |
| **UNENCUMBERED CASH - BEGINNING** | 54,585 | | |
| **UNENCUMBERED CASH - ENDING** | $ 54,477 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**PARENT EDUCATION FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| State aid | $ 59,941 | $ 59,941 | $ - |
| Miscellaneous | 4,690 | 4,690 | - |
| Transfers | 28,810 | 28,810 | - |
| **Total Cash Receipts** | $ 93,441 | $ 93,441 | $ - |
| **EXPENDITURES** | | | |
| Student support services | $ 98,056 | $ 106,000 | $ (7,944) |
| Instructional support services | - | 1,500 | (1,500) |
| **Total Expenditures** | $ 98,056 | $ 107,500 | $ (9,444) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ (4,615) | | |
| **UNENCUMBERED CASH - BEGINNING** | 15,914 | | |
| **UNENCUMBERED CASH - ENDING** | $ 11,299 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**SPECIAL EDUCATION FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Transfers | $ 1,903,740 | $ 2,012,500 | $ (108,760) |
| Federal aid | 7,713 | 10,000 | (2,287) |
| **Total Cash Receipts** | $ 1,911,453 | $ 2,022,500 | $ (111,047) |
| **EXPENDITURES** | | | |
| Instruction | $ 1,807,596 | $ 2,487,017 | $ (679,421) |
| Operations and maintenance | - | 273,000 | (273,000) |
| Student transportation services | 102,233 | 39,500 | 62,733 |
| **Total Expenditures** | $ 1,909,829 | $ 2,799,517 | $ (889,688) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 1,624 | | |
| **UNENCUMBERED CASH - BEGINNING** | 804,826 | | |
| **UNENCUMBERED CASH - ENDING** | $ 806,450 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**CAREER AND POSTSECONDARY EDUCATION FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Federal aid | $ 10,000 | $ 10,000 | $ - |
| Local sources - Reimbursed expenses | 14,284 | 10,000 | 4,284 |
| Transfers | 465,000 | 532,000 | (67,000) |
| **Total Cash Receipts** | $ 489,284 | $ 552,000 | $ (62,716) |
| **EXPENDITURES** | | | |
| Instruction | $ 478,184 | $ 735,000 | $ (256,816) |
| Instructional support services | 6,366 | 10,000 | (3,634) |
| **Total Expenditures** | $ 484,550 | $ 745,000 | $ (260,450) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 4,734 | | |
| **UNENCUMBERED CASH - BEGINNING** | 242,330 | | |
| **UNENCUMBERED CASH - ENDING** | $ 247,064 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**SPECIAL EDUCATION COOPERATIVE FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Tuition | $ 2,458,096 | $ 2,682,174 | $ (224,078) |
| Other | 1,891,206 | 1,991,924 | (100,718) |
| Reimbursements | 5,926 | - | 5,926 |
| State Aid | 5,121 | 5,000 | 121 |
| Federal Aid | 746,527 | 1,023,270 | (276,743) |
| Fees for services | 176,355 | - | 176,355 |
| **Total Cash Receipts** | $ 5,283,231 | $ 5,702,368 | $ (419,137) |
| **EXPENDITURES** | | | |
| Instruction | 3,972,940 | $ 4,113,500 | $ (140,560) |
| Student support services | 1,013,779 | 1,262,500 | (248,721) |
| Instructional support services | 6,891 | 205,500 | (198,609) |
| General administration | 335,350 | 337,500 | (2,150) |
| School Administration | 1,007 | 1,000 | 7 |
| Central services | 59,701 | 174,500 | (114,799) |
| Operations and maintenance | 22,164 | 75,000 | (52,836) |
| Student transportation | 7,558 | 53,500 | (45,942) |
| Other support services | - | 100,000 | (100,000) |
| **Total Expenditures** | $ 5,419,390 | $ 6,323,000 | $ (903,610) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ (136,159) | | |
| **UNENCUMBERED CASH- BEGINNING** | 979,321 | | |
| **UNENCUMBERED CASH - ENDING** | $ 843,162 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**KPERS RETIREMENT CONTRIBUTION FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| State aid | $ 1,660,902 | $ 1,702,027 | $ (41,125) |
| **EXPENDITURES** | | | |
| Instruction | $ 1,146,023 | $ 1,174,399 | $ (28,376) |
| Student support services | 149,481 | 153,182 | (3,701) |
| Instructional support services | 33,218 | 34,041 | (823) |
| General administration | 49,827 | 51,061 | (1,234) |
| School administration | 99,654 | 102,121 | (2,467) |
| Central services | 16,609 | 17,020 | (411) |
| Operations and maintenance | 66,436 | 68,081 | (1,645) |
| Student transportation services | 49,827 | 51,061 | (1,234) |
| Food service | 49,827 | 51,061 | (1,234) |
| **Total Expenditures** | $ 1,660,902 | $ 1,702,027 | $ (41,125) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ - | | |
| **UNENCUMBERED CASH - BEGINNING** | - | | |
| **UNENCUMBERED CASH - ENDING** | $ - | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**TEXTBOOK RENTAL FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**
**Regulatory Basis**
For the Year Ended June 30, 2023

| | |
|---|---|
| **CASH RECEIPTS** | |
| Other | $ 68,514 |
| Transfers | 170,000 |
| Reimbursed Expenditures | 15 |
| Total Receipts | $ 238,529 |
| **EXPENDITURES** | |
| Instruction | $ 220,968 |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 17,561 |
| **UNENCUMBERED CASH - BEGINNING** | 203,978 |
| **UNENCUMBERED CASH - ENDING** | $ 221,539 |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**GIFTS AND GRANTS FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| State Aid | $ 14,120 | $ 11,250 | $ 2,870 |
| Federal Aid | 14,120 | 11,250 | 2,870 |
| Miscellaneous | 1,001,230 | 1,100,000 | (98,770) |
| **Total Cash Receipts** | $ 1,029,470 | $ 1,122,500 | $ (93,030) |
| **EXPENDITURES** | | | |
| Instruction | $ 61,047 | $ 122,500 | $ (61,453) |
| Central services | 190 | - | 190 |
| Operations and maintenance | - | 40,000 | (40,000) |
| Student transportation services | 1,419 | - | 1,419 |
| Facility acquisition and construction | 940,015 | - | 940,015 |
| Other support services | - | 1,010,000 | (1,010,000) |
| **Total Expenditures** | $ 1,002,671 | $ 1,172,500 | $ (169,829) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 26,799 | | |
| **UNENCUMBERED CASH- BEGINNING** | 53,986 | | |
| **UNENCUMBERED CASH - ENDING** | $ 80,785 | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**FEDERAL FUNDS**
**SCHEDULE OF RECEIPTS AND EXPENDITURES**
Regulatory Basis
For the Year Ended June 30, 2023

| | Title I | Federal Title IIA (Teacher (Quality) | Title VI-B | Title IV Student Support | Title IV Project Lead | ESSER III | KHDE K-12 Grant | ESSER II | Total Actual | Budget | Variance Over (Under) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **RECEIPTS** | | | | | | | | | | | |
| Federal aid | $ 215,976 | $ 42,551 | $ 26,142 | $ 20,702 | $ 177,116 | $ 336,092 | $ 108,054 | $ 217,247 | $ 1,143,880 | $ 1,547,551 | $ (403,671) |
| Other | - | - | - | - | 19,567 | - | - | - | 19,567 | 5,110 | 14,457 |
| **Total Receipts** | $ 215,976 | $ 42,551 | $ 26,142 | $ 20,702 | $ 196,683 | $ 336,092 | $ 108,054 | $ 217,247 | $ 1,163,447 | $ 1,552,661 | $ (389,214) |
| **EXPENDITURES** | | | | | | | | | | | |
| Instruction | $ 215,976 | $ 42,551 | $ 26,142 | $ 20,702 | $ 183,620 | $ 149,325 | $ - | $ 185,986 | $ 824,302 | $ 1,017,500 | $ (193,198) |
| Student support services | - | - | - | - | 495 | 12,249 | 92,883 | - | 105,627 | 87,000 | 18,627 |
| Instructional support staff | - | - | - | - | - | 3,171 | - | - | 3,171 | - | 3,171 |
| School administration | - | - | - | - | - | 18,466 | - | 7,337 | 25,803 | 9,500 | 16,303 |
| Central services | - | - | - | - | - | 8,705 | - | - | 8,705 | 193,500 | (184,795) |
| Student transportation | - | - | - | - | 1,363 | 25,469 | - | 13,236 | 40,068 | 28,500 | 11,568 |
| Facility acquisition and construction | - | - | - | - | - | 149,827 | - | - | 149,827 | - | 149,827 |
| Building improvements | - | - | - | - | - | - | - | - | - | 150,000 | (150,000) |
| Operations and maintenance | - | - | - | - | - | 7,436 | - | - | 7,436 | 500 | 6,936 |
| **Total Expenditures** | $ 215,976 | $ 42,551 | $ 26,142 | $ 20,702 | $ 185,478 | $ 374,648 | $ 92,883 | $ 206,559 | $ 1,164,939 | $ 1,486,500 | $ (321,561) |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ - | $ - | $ - | $ - | $ 11,205 | $ (38,556) | $ 15,171 | $ 10,688 | $ (1,492) | | |
| **UNENCUMBERED CASH - BEGINNING** | - | - | - | - | 17,124 | - | (49,153) | (13,133) | (45,162) | | |
| **UNENCUMBERED CASH - ENDING** | $ - | $ - | $ - | $ - | $ 28,329 | $ (38,556) | $ (33,982) | $ (2,445) | $ (46,654) | | |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**BOND AND INTEREST FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**
Regulatory Basis
For the Year Ended June 30, 2023

| | Actual | Budget | Variance - Over (Under) |
|---|---|---|---|
| **CASH RECEIPTS** | | | |
| Ad valorem | $ 1,156,820 | $ 1,087,871 | $ 68,949 |
| Delinquent taxes | 6,914 | 5,618 | 1,296 |
| Other | 6,096 | - | 6,096 |
| Motor vehicle taxes | 63,212 | 70,726 | (7,514) |
| State aid | 223,951 | 223,950 | 1 |
| **Total Cash Receipts** | $ 1,456,993 | $ 1,388,165 | $ 68,828 |
| **EXPENDITURES** | | | |
| Interest | $ - | $ 104,690 | $ (104,690) |
| Principal | 1,405,827 | 1,295,000 | 110,827 |
| **Total Expenditures** | $ 1,405,827 | $ 1,399,690 | $ 6,137 |
| **RECEIPTS OVER (UNDER) EXPENDITURES** | $ 51,166 | | |
| **UNENCUMBERED CASH- BEGINNING** | 1,203,186 | | |
| **UNENCUMBERED CASH - ENDING** | $ 1,254,352 | | |

SCHEDULE 3

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**AGENCY FUNDS**
**SUMMARY OF RECEIPTS AND DISBURSEMENTS**
Regulatory Basis
For the Year Ended June 30, 2023

| | Balance July 1, 2022 | Cash Receipts | Cash Disbursements | Balance June 30, 2023 |
|---|---|---|---|---|
| **Elementary Schools** | | | | |
| Lincoln Elementary | $ 4,064 | $ 3,464 | $ 3,978 | $ 3,550 |
| Garfield Elementary | 1,242 | 1,487 | 1,762 | 967 |
| **Total Elementary Schools** | $ 5,306 | $ 4,951 | $ 5,740 | $ 4,517 |
| **Middle School Funds** | | | | |
| Clay Center Community Middle School | $ 12,283 | $ 25,537 | $ 29,695 | $ 8,125 |
| Wakefield School | 21,991 | 49,819 | 44,672 | 27,138 |
| **Total Middle School Funds** | $ 34,274 | $ 75,356 | $ 74,367 | $ 35,263 |
| **High School Funds** | | | | |
| Clay Center Community High School | $ 79,940 | $ 201,674 | $ 208,629 | $ 72,985 |
| **Other Agency Funds** | | | | |
| Payroll Clearing Fund | $ 52,233 | $ 121,442 | $ 140,989 | $ 32,686 |
| **TOTAL AGENCY FUNDS** | $ 171,753 | $ 403,423 | $ 429,725 | $ 145,451 |

**UNIFIED SCHOOL DISTRICT NO. 379**
**DISTRICT ACTIVITY FUNDS**
**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH**
Regulatory Basis
For the Year Ended June 30, 2023

| | Beginning Unencumbered Cash Balance | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Outstanding Encumbrances and Accounts Payable | Ending Cash Balance |
|---|---|---|---|---|---|---|
| **District Activity Funds** | | | | | | |
| Gate Receipts | | | | | | |
| Clay Center Community Middle School | $ 1,919 | $ 26,390 | $ 24,823 | $ 3,486 | $ - | $ 3,486 |
| Wakefield School | 1,277 | 16,392 | 17,253 | 416 | - | 416 |
| Clay Center Community High School | 27,915 | 101,144 | 97,614 | 31,445 | - | 31,445 |
| **Total District Activity Funds** | $ 31,111 | $ 143,926 | $ 139,690 | $ 35,347 | $ - | $ 35,347 |

October 4, 2023

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 379
Clay Center, Kansas

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance With *Government Auditing Standards***

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Unified School District No. 379 (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated October 4, 2023.

**Internal Control Over Financial Reporting**
In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

**Compliance and Other Matters**
As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.



1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1020 Commercial St., Suite A
Emporia, KS 66801

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

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

October 4, 2023

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 379
Clay Center, Kansas

**Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance**

**Unmodified Opinions**

We have audited Unified School District No. 379's (the District), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

**Basis for Unmodified Opinions**

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

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

**Responsibilities of Management for Compliance**

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

**Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the District's compliance with the requirements of each major federal program as a whole.



1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1020 Commercial St., Suite A
Emporia, KS 66801

**Auditor's Responsibilities for the Audit of Compliance (continued)**
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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

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

This 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. According, this report is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
For the Year Ended June 30, 2023

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Assistance Number | Pass-Through Entity Identifying Number | Federal Award Expenditures |
|---|---|---|---|
| **U.S. Department of Education** | | | |
| Direct U.S. Department of Education | | | |
| Impact Aid (P.L. 81-874 | 84.041 | N/A | $ 37,625 |
| Passed through Kansas Department of Education | | | |
| Special Education Cluster: | | | |
| Title VI, Special Education | 84.027 | D0379 | $ 744,351 |
| Special Education - Preschool Grants | 84.173 | DO379 | 28,318 |
| Total Special Education Cluster | | | $ 772,669 |
| Title I | 84.010 | DO379 | $ 215,976 |
| Reserve Fund | 84.048A | DO379 | 10,000 |
| Title IV Project Lead | 84.287 | DO379 | 177,116 |
| Title II-A Teacher Quality | 84.367 | DO379 | 42,551 |
| Title IVA Student Support & Academic Enrichment | 84.424 | DO379 | 20,702 |
| COVID-19 - Elementary and Secondary School Emergency Relief II | 84.425D | DO379 | 206,560 |
| COVID-19 - Elementary and Secondary School Emergency Relief III | 84.425U | DO379 | 374,648 |
| Total Passed Through U.S. Department of Education | | | $ 1,820,222 |
| **Total Department of Education** | | | $ 1,857,847 |
| **U.S. Department of Agriculture** | | | |
| Passed through Kansas Department of Education | | | |
| Child Nutrition Cluster | | | |
| School Breakfast | 10.553 | DO379 | $ 90,962 |
| Section 4 | 10.555 | DO379 | 432,773 |
| Summer Food Service Program | 10.559 | DO379 | 86,325 |
| Subtotal Child Nutrition Cluster | | | $ 610,060 |
| **Total Department of Agriculture** | | | $ 610,060 |
| **U.S. Department of Health & Human Services** | | | |
| Passed through Kansas Department of Education | | | |
| COVID-19 - KSDE K-12 COVID Testing Grant | 93.323 | DO379 | $ 92,883 |
| Temporary Assistance for Needy Families | 93.558 | DO379 | 14,120 |
| **Total Department of Health & Human Services** | | | $ 107,003 |
| **U.S. Department of Transportation** | | | |
| Highway Safety Cluster | 20.600 | N/A | $ 4,000 |
| **Total Federal Expenditures** | | | $ 2,578,910 |

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**
For the Year Ended June 30, 2023

**Note 1: Basis of Presentation**

The schedule of expenditures of federal awards includes the federal grant activity of the District and is presented on the cash basis of accounting, modified to include recognition of accounts payable and encumbrances.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

**Note 2: Non-Cash Assistance, Insurance, and Loans**

The District did not receive or expend any Federal awards in the form of noncash assistance, insurance, loans or loan guarantees for the year ended June 30, 2023.

**Note 3: Indirect Cost Rate**

The District has not elected to use the 10% de minimis indirect cost rate provisioned by the Uniform Guidance, Section 414 for reporting costs charged to federal award programs.

**UNIFIED SCHOOL DISTRICT NO. 379**
Clay Center, Kansas
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
For the Year Ended June 30, 2023

## Section I - Summary of Auditor's Results

***Financial Statement***

| | | |
|---|---|---|
| Type of auditor's report issued: | Unmodified | |
| Internal control over financial reporting: | | |
| Material weaknesses identified? | __ Yes | X None |
| Reportable conditions identified not considered to be material weaknesses? | __ Yes | X None reported |
| Noncompliance material to financial statement noted? | __ Yes | X None |

***Federal Awards***

| | | |
|---|---|---|
| Internal controls over major programs: | | |
| Material weaknesses identified? | __ Yes | X No |
| Reportable conditions identified not considered to be material weaknesses? | __ Yes | X None reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified | |
| Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)? | __ Yes | X No |

Identification of major programs:

| Name of Federal program | CFDA Number(s) |
|---|---|
| Special Education Cluster | 84.027 and 84.173 |
| Elementary and Secondary School Emergency Relief | 84.425D and 84.425U |

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs: | $ 750,000 |
| Auditee qualified as a low-risk auditee? | __ Yes X No |

Note:

Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status was changed by the U.S. Office of Management and Budget (OMB). Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

## Section II - Financial Statement Findings

No matters were reported

## Section III - Federal Award Findings and Questioned Costs

There were no current year findings or questioned costs.