UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

FINANCIAL STATEMENTS

For the fiscal year ended June 30, 2025

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2025

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UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

FINANCIAL SECTION

HAY·RICE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
CHARTERED

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 480
Liberal, Kansas 67901

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. 480, as of and for the fiscal year ended June 30, 2025 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 Unified School District No. 480 as of June 30, 2025, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Unified School District No. 480 as of June 30, 2025, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Unified School District No. 480, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by Unified School District No. 480 on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School 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 School 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, schedule of regulatory basis receipts, expenditures, and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide.* The schedule of expenditures of federal awards (Schedule 5 as listed in the table of contents), as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 480 as of and for the year ended June 30, 2024 (not presented herein), and have issued our report thereon dated December 17, 2024, 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/accounts-reports/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 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. 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 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, on our consideration of Unified School District No. 480'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 Unified School District No. 480's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District No. 480's internal control over financial reporting and compliance.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

December 18, 2025

HAY·RICE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
CHARTERED

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

To the Board of Education
Unified School District No. 480
Liberal, Kansas 67901

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide*, 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. 480, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statement, which comprise Unified School District No. 480's basic financial statement, and have issued our report thereon dated December 18, 2025, which was qualified because Unified School District No. 480 prepares its financial statements to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 480's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2025-001.

Unified School District No. 480's Response to Findings

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

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.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

December 18, 2025

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Statement 1

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For the fiscal year ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances & Accounts Payable	Ending Cash Balance
General Funds:							
General	$ 4,894	$ 53,237	$ 42,106,196	$ 42,164,327	$ -	$ 34,358	$ 34,358
Supplemental General	346,062	-	13,927,357	13,602,853	670,566	665,450	1,336,016
Special Purpose Funds:							
Driver Training	92,415	-	20,670	3,283	109,802	-	109,802
Capital Outlay	13,782,031	1,950,478	4,713,250	4,621,895	15,823,864	554,128	16,377,992
Professional Development	990,293	-	300,000	154,151	1,136,142	59,344	1,195,486
Gifts and Grants	595,240	-	198,578	105,073	688,745	7,787	696,532
Special Education	977	-	4,683,165	4,226,797	457,345	163,466	620,811
KPERS Special Retirement Contribution	-	-	4,962,602	4,962,602	-	-	-
Bilingual Education	-	-	2,281,833	2,001,064	280,769	-	280,769
Vocational Education	532,650	-	210,140	229,016	513,774	-	513,774
Summer School	361,439	-	300,000	214,224	447,215	-	447,215
4-Year-Old At Risk	-	-	600,000	572,385	27,615	-	27,615
At Risk	-	-	13,986,842	13,066,573	920,269	81,404	1,001,673
Jump Start Summer School	39,585	-	-	3,195	36,390	-	36,390
Other Operations	1,534,198	-	340,754	757,623	1,117,329	12,402	1,129,731
Textbook Rental	511,659	-	219,189	576,500	154,348	101,160	255,508
Carl Perkins – Secondary Improvement	-		57,162	56,592	570	1,986	2,556
Contingency Reserve	3,600,000	-	1,093,743	-	4,693,743	-	4,693,743
McKinney Vento Grant	(44,731)	26,500	18,231	-	-	-	-

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

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Statement 1
(Continued)

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
For the fiscal year ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances & Accounts Payable	Ending Cash Balance
Special Purpose Funds (Continued):							
ESSER II	-	-	59,948	58,925	1,023	-	1,023
ESSER III	(2,271,104)	-	3,183,920	912,816	-	-	-
Title I Low Income	-	-	1,392,057	1,392,057	-	-	-
Title I Migrant	-	-	200,030	203,699	(3,669)	-	(3,669)
Title III English Language	-	-	134,382	77,743	56,639	174	56,813
21st Century Grant – Apache	-	-	54,239	48,208	6,031	-	6,031
Project Blast After School Program	-	-	30,158	30,158	-	-	-
Title IV-A Student Support and Academic Enrichment	-	-	66,268	66,268	-	-	-
Meadowlark Apprenticeship Federal Grant	-	-	66,868	66,868	-	-	-
Title VI-B Pass Thru	-	-	1,334,137	1,334,137	-	-	-
Early Childhood Pass Thru / 3-21 Private School	-	-	26,307	26,307	-	-	-
SPED Targeted Improvement	-	-	31,084	31,084	-	-	-
Title II A Teacher Quality	-	-	187,320	187,320	-	28,806	28,806
District Activities	162,235	-	713,931	671,213	204,953	-	204,953
Debt Service Fund – Bond and Interest	13,936,046	-	13,730,332	11,538,302	16,128,076	-	16,128,076
Proprietary Type Fund – Business Fund:							
Food Service	1,659,749	-	3,641,350	3,898,909	1,402,190	-	1,402,190
Total Reporting Entity (Excluding Agency Funds)	$35,833,638	$2,030,215	$114,872,043	$107,862,167	$44,873,729	$1,710,465	$46,584,194

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

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Statement 1
(Continued)

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH – REGULATORY BASIS
For the fiscal year ended June 30, 2025

Composition of Cash:	
Checking Account – Equity Bank	$26,485,403
CD – Equity Bank	16,300,000
CD – Commerce Bank	3,587,838
Cafeteria Fund Checking Account – Equity Bank	5,000
Activity Checking Accounts – Equity Bank	602,432
Employee Deduction Checking Account – Equity Bank	792,910
Petty Cash – Equity Bank	1,000
Total Cash and Investments	$47,774,583
Agency Funds per Schedule 3	(1,190,389)
Total Reporting Entity (Excluding Agency Funds)	$46,584,194

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

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

Note 1: Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 480 is a municipal corporation governed by an elected seven-member board and the board is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the City of Liberal. This regulatory financial statement presents only Unified School District No. 480 (the municipality).

Fund Descriptions

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Regulatory Basis Fund Types

The following regulatory basis fund types comprise the financial activities of the School District for the fiscal year ended June 30, 2025:

Governmental Funds:

General Fund – The Chief Operating Fund – used to account for all resources except those required to be accounted for in another fund.

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

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

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Note 1: Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types (Continued)

Proprietary Fund:

Business Fund – funds financed in whole or in part by fees charged to users of the goods or services.

Fiduciary Fund:

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

Reimbursed Expenses

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

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

Basis of Accounting

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

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Accounting (Continued)

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

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. General capital assets that account for the land, buildings and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, revenue bonds, finance leases, temporary notes and compensated absences are not presented in the financial statements.

Other Accounting Policies

Cash and Time Deposits

These liquid assets are shown in aggregate. K.S.A. 12-1671 and 12-1672 allow these assets to be shown in aggregate.

Time deposits are carried at cost plus accrued interest. The carrying amount of deposits is separately displayed as "cash and time deposits".

Note 1: Summary of Significant Accounting Policies (Continued)

Other Accounting Policies (Continued)

General Fixed Assets

General fixed assets purchased are recorded as expenditures at the time of purchase, except for assets acquired with federally assisted funds. Assets of the School District are not recorded in a permanent set of records.

Vouchers Payable

Vouchers payable are classified on the basis of a claim for payment resulting from legal title to property.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds.

In addition, encumbrances do constitute expenditures of a fund.

Unencumbered Cash Balances

The unencumbered cash balance is the unobligated resources of cash and time deposits of a fund.

Bonds Payable

Bonds which are outstanding at the end of the fiscal year.

Reimbursements

Unified School District No. 480 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

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

1. Preparation of the budget for the succeeding fiscal year ending June 30 on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st, but may not be adopted prior to the revenue neutral rate hearing. Unified School District No. 480 did hold a revenue neutral rate hearing for this year.

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

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

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

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

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

- Jump Start Summer School
- Other Operations
- Textbook Rental
- Carl Perkins – Secondary Improvement
- Contingency Reserve
- McKinney Vento Grant
- ESSER II – SPED
- ESSER II
- ESSER III
- Title I Low Income
- Title I Migrant
- Title III English Language
- 21st Century Grant-Apache
- Project Blast After School Program
- Title IV-A Student Support and Academic Enrichment
- Meadowlark Apprenticeship Federal Grant
- Title VI-B Pass Thru
- Early Childhood Pass Thru / 3-21 Private School
- Title VI B ARP
- SPED Targeted Improvement
- Title IV Student Support and Academic Enrichment
- Title II-A Teacher Quality
- District Activities

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

Note 1: Summary of Significant Accounting Policies (Continued)

Tax Cycle

The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payments.

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 18% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the School District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

Note 2: Stewardship, Compliance and Accountability

Compliance with Kansas Statutes

No statutory violations were noted during the audit.

Compliance with Finance-Related Legal and Contractual Provisions

References made herein to the statutes are not intended as interpretations of the law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and the legal representation of the School District. Finance-related legal and contractual provisions include Kansas statutes, regulations, contracts, debt covenants or other agreements. The General Fund shows adjustments for qualifying budget credits of $339,677 on the budgetary comparison schedule. This is made up of reimbursed expenditures of $339,677.

Note 2: Stewardship, Compliance and Accountability (Continued)

Authorized Over-Encumbered Cash Balance – Federal Funds

K.S.A. 12-1664 authorizes the financing from local sources for expenditures to be reimbursed by the federal government.

Fund Balances – Designated for Subsequent Year's Budget

Actual cash carryover was not sufficient for the following funds:

	2025 Unencumbered Cash Balance	2026 Budgeted Unencumbered Cash Carryover
General	$ -	$ 18,878
Capital Outlay	15,823,864	16,414,297
Professional Development	1,136,142	1,164,177
Special Education	457,345	479,911
Vocational Education	513,774	952,744
At Risk	920,269	1,031,406

Note 3: Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by Unified School District No. 480. The statute requires banks eligible to hold the School District's funds have a main or branch bank in the county in which Unified School District No. 480 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. Unified School District No. 480 has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits Unified School District No. 480'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. Unified School District No. 480 has no investment policy that would further limit its investment choices.

Note 3: Deposits and Investments (Continued)

Concentration of Credit Risk – State statutes place no limit on the amount Unified School District No. 480 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, Unified School District No. 480's deposits may not be returned to it. State statutes require Unified School District No. 480's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. Unified School District No. 480 has not designated a "peak period". All deposits were legally secured at June 30, 2025.

At June 30, 2025, Unified School District No. 480's carrying amount of deposits was $47,774,583 and the bank balance was $47,548,899. The bank balance was held by 128 banks resulting in a concentration of credit risk. Of that bank balance, $30,125,658 was covered by federal depository insurance and $17,423,241 was collateralized with securities held by the pledging financial institutions' agents in Unified School District No. 480's name.

Custodial Credit Risk – Investments – For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, Unified School District No. 480 will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Note 4: Interfund Transfers

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Professional Education	KSA 72-6428	$ 300,000
	Special Education	KSA 72-6428	3,662,553
	Bilingual Education	KSA 72-6428	1,550,000

Note 4: Interfund Transfers (Continued)

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Vocational Education	KSA 72-6428	210,140
	Summer School	KSA 72-6428	300,000
	At Risk 4 Year Old	KSA 72-6428	600,000
	At Risk	KSA 72-6428	11,020,060
	Contingency Reserve	KSA 72-6428	1,093,743
			$18,736,496
Supplemental General	Special Education	KSA 72-6433	$ 976,685
	Bilingual Education	KSA 72-6433	731,833
	At Risk	KSA 72-6433	2,966,782
			$ 4,675,300
Title IV	Title I Low Income		$ 66,268
	Total		$23,478,064

Note 5: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

Unified School District No. 480 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 Annual Comprehensive 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.

Note 5: Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan (Continued)

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 at 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 13.38% and 12.57%, respectively, for the fiscal year ended June 30, 2024. The actuarially determined employer contribution rate and the statutory contribution rate was 11.60% and 11.54% for the fiscal year ended June 30, 2025.

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

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

Note 5: Defined Benefit Pension Plan (Continued)

Contributions (Continued)

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

In addition, Senate Bill 421 authorizes two additional transfers in fiscal year 2023 which totaled $271.1 million. The first transfer of $146.1 million was received on August 1, 2022. The second transfer of $125 million was received on December 1, 2022.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The School District is responsible for the employer's portion of the cost for retired District employees. The School District received and remitted amounts equal to the statutory contribution rate, which totaled $4,962,602 for the year ended June 30, 2025.

Net Pension Liability

At June 30, 2025, the School District's proportionate share of the collective net pension liability reported by KPERS was $43,472,659. The 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 School District's proportion of the net pension liability was based on the ratio of the School 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, 2024. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 6: Other Long-Term Obligations from Operations

Compensated Absences

Vacation and Sick Pay

Unified School District No. 480's policy is to recognize the costs of vacations and other compensated absences when actually paid.

Unified School District No. 480's policies regarding vacations permit twelve month employees with less than ten years of service to accumulate ten days of vacation. Employees with more than ten years of employment accumulate fifteen days of vacation.

Teachers do not accumulate vacation. All vacation must be used by October 31 of the following year. Teachers, cafeteria personnel and aides earn sick leave at the rate of one day per month up to ten days per year, with a maximum of ninety days accumulation. Administration, secretaries and maintenance personnel earn sick leave at the rate of one day per month up to twelve days per year, with a maximum of ninety days accumulation. The School District has estimated the dollar amount of accumulated leave at June 30, 2025 at $1,587,530.

Retirement Benefit

Eligible employees covered under the School District and the Liberal National Education Association agreement ratified August 20, 2012 may receive a single retirement benefit payment of $1,500, $2,000, $2,500 or $3,000 dependent on their total years of services to the School District.

Other Post Employment Benefits

As provided by K.S.A. 12-5040, Unified School District No. 480 allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, Unified School District No. 480 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.

Note 6: Other Long-Term Obligations from Operations (Continued)

Other Post Employment Benefits (Continued)

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), Unified School District No. 480 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.

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, 2025.

Note 7: Risk Management and Self-Insurance

Property and Liability

Unified School District No. 480 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims resulting from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

Self-Insurance

Unified School District No. 480 established a benefit trust for health care costs and entered into a partially self-funded employees' health care costs agreement in the fiscal year 2012. This agreement allows the School District to assume a limited amount of liability by self-insuring a portion of the employee's medical expenses. Premiums paid for an excess coverage insurance policy cover individual claims in excess of $125,000 and the School District is also protected by an aggregate stop-loss protection provision, which limits its liability on total self-insurance claims for a contract period. All claims handling procedures are performed by a third-party claims administrator. Liabilities for unpaid claims are those claims that are unpaid at year end. The plan year was changed from an October to September plan year to a July through June plan year effective July 1, 2013.

Note 8: Contingent Liabilities

Unified School District No. 480 participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives for audits of these programs for or including the year ending June 30, 2025. These compliance audits are in process and have not been completed as of December 18, 2025. Accordingly, the School District's compliance with applicable grant agreements will be established at some future date. The amount of expenditures, which may be disallowed by the grantor agencies, cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial.

Note 9: Subsequent Events

Unified School District No. 480's management has evaluated events and transactions through December 18, 2025, the date which the financial statement was available to be issued.

Note 10: Long-Term Debt

Changes in long-term liabilities for Unified School District No. 480 for the fiscal year ended June 30, 2025 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2016 Refunding Bonds	5.00%	11/30/16	$ 9,520,000	9/01/35	$ 9,450,000	-	$ 70,000	$ 9,380,000	$ 276,025
Series 2017 Refunding Bonds	2.92%	7/20/17	8,775,000	9/01/32	8,775,000	-	-	8,775,000	351,000
Series 2017B Refunding Bonds	3.33%	12/28/17	93,435,000	9/01/26	20,575,000	-	6,525,000	14,050,000	865,625
Series 2021 Refunding	1.67%	3/25/21	68,865,000	9/01/32	62,565,000	-	2,535,000	60,030,000	915,651
Total General Obligation Bonds					$101,365,000	-	$9,130,000	$92,235,000	$2,408,301
Finance Leases:									
HVAC & Lighting	2.85%	5/16/19	3,291,114	5/16/31	$ 2,054,512	-	$ 269,098	$ 1,785,414	$ 55,694
Signature Bank – Turf Fields	3.14%	7/01/22	5,090,000	9/01/32	4,670,000	-	460,000	4,210,000	139,194
Total finance leases					$ 6,724,512	-	$ 729,098	$ 5,995,414	$ 194,888
Total Contractual Indebtedness					$108,089,512	-	$9,859,098	$98,230,414	$2,603,189

Note 10: Long-Term Debt (Continued)

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

	6-30-26	6-30-27	6-30-28	6-30-29	6-30-30	6-30-31-6-30-35	6-30-36-6-30-40	Total
Principal:								
General obligation bonds	$ 9,475,000	$ 9,835,000	$10,225,000	$10,350,000	$10,635,000	$37,040,000	$4,675,000	$ 92,235,000
Finance leases	746,849	774,824	793,029	821,470	840,154	2,019,088	-	5,995,414
Total principal	$10,221,849	$10,609,824	$11,018,029	$11,171,470	$11,475,154	$39,059,088	$4,675,000	$ 98,230,414
Interest:								
General obligation bonds	$ 2,054,038	$ 1,679,649	$ 1,425,473	$ 1,221,746	$ 996,772	$ 2,209,399	$ 67,787	$ 9,654,864
Finance leases	172,559	149,536	125,813	101,384	76,241	86,586	-	712,119
Total interest	$ 2,226,597	$ 1,829,185	$ 1,551,286	$ 1,323,130	$ 1,073,013	$ 2,295,985	$ 67,787	$ 10,366,983
Total Principal and Interest	$12,448,446	$12,439,009	$12,569,315	$ 12,494,600	$12,548,167	$41,355,073	$4,742,787	$108,597,397

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

REGULATORY–REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 1

SUMMARY OF EXPENDITURES–ACTUAL AND BUDGET
REGULATORY BASIS
For the fiscal year ended June 30, 2025

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)
General Funds:						
General	$43,527,381	$ (1,549,402)	$339,677	$42,317,656	$42,164,327	$ (153,329)
Supplemental General	14,107,744	(504,891)	-	13,602,853	13,602,853	-
Special Purpose Funds:						
Driver Training	112,900	-	-	112,900	3,283	(109,617)
Capital Outlay	10,500,000	-	-	10,500,000	4,621,895	(5,878,105)
Professional Development	600,000	-	-	600,000	154,151	(445,849)
Gifts and Grants	300,000	-	-	300,000	105,073	(194,927)
Special Education	4,654,659	-	-	4,654,659	4,226,797	(427,862)
KPERS Special Retirement Contribution	6,090,248	-	-	6,090,248	4,962,602	(1,127,646)
Bilingual Education	2,275,138	-	-	2,275,138	2,001,064	(274,074)
Vocational Education	911,500	-	-	911,500	229,016	(682,484)
Summer School	619,500	-	-	619,500	214,224	(405,276)
At Risk 4 Year Old	600,000	-	-	600,000	572,385	(27,615)
At Risk	15,519,409	-	-	15,519,409	13,066,573	(2,452,836)
Debt Service Fund:						
Bond and Interest	11,538,302	-	-	11,538,302	11,538,302	-
Proprietary Type Fund:						
Business Fund:						
Food Service	4,142,000	-	-	4,142,000	3,898,909	(243,091)

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2

SCHEDULES OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-1

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
Receipts	Actual	Budget	Variance Over (Under)	Prior Year Actual
Taxes and Shared Receipts:				
Mineral production tax	$ 5,123	$ -	$ 5,123	$ 10,033
Local sources	-	-	-	210,176
State aid	38,779,479	40,631,087	(1,851,608)	36,946,822
Special Education aid	2,981,917	2,896,294	85,623	2,701,796
Reimbursed expenditures	339,677	-	339,677	319,792
Total Receipts	$42,106,196	$43,527,381	$ (1,421,185)	$40,188,619
Expenditures				
Instruction	$ 9,366,842	$10,019,067	$ (652,225)	$ 7,453,550
Student support services	2,628,617	1,551,300	1,077,317	1,370,507
Instructional support staff	1,058,273	1,221,000	(162,727)	1,021,177
General Administration	1,939,621	1,683,000	256,621	2,048,494
School Administration	3,509,359	3,419,500	89,859	3,039,076
Central services	1,665,094	714,500	950,594	706,550
Operations and maintenance	2,705,601	3,825,000	(1,119,399)	3,596,735
Student transportation services	403,746	339,500	64,246	320,174
Other support services	1,103	340,000	(338,897)	27,797
Food service operation	147,675	-	147,675	284,056
Community services	1,900	-	1,900	-
Operating transfers	18,736,496	20,414,514	(1,678,018)	20,327,900
Adjustment to comply with legal max	-	(1,549,402)	1,549,402	-
Adjustment for qualifying budget credits	-	339,677	(339,677)	-
Total Expenditures	$42,164,327	$42,317,656	$ (153,329)	$40,196,016
Receipts Over (Under) Expenditures	$ (58,131)			$ (7,397)
Unencumbered Cash, Beginning	4,894			12,291
Prior year cancelled encumbrances	53,237			-
Unencumbered Cash, Ending	-			$ 4,894

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-2

SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
Receipts	Actual	Budget	Variance Over (Under)	Prior Year Actual
Taxes and Shared Receipts:				
Ad valorem property tax	$ 3,470,786	$ 3,327,041	$ 143,745	$ 2,885,888
Delinquent tax	68,432	30,813	37,619	44,295
Motor vehicle tax	279,325	268,814	10,511	281,998
RV tax	1,450	1,399	51	1,440
Commercial vehicle tax	18,915	17,049	1,866	16,132
In lieu	573	325	248	505
Supplemental state aid	10,087,876	10,462,303	(374,427)	9,031,743
Total Receipts	$13,927,357	$14,107,744	$ (180,387)	$12,262,001
Expenditures				
Instruction	$ 695,929	$ 3,212,855	$ (2,516,926)	$ 399,878
Student support services	87	-	87	212
Instructional support staff	-	25,000	(25,000)	-
General Administration	52,200	344,303	(292,103)	56,402
Central services	882,151	105,000	777,151	1,134,098
Operations and maintenance	5,761,164	4,086,700	1,674,464	4,355,629
Student transportation services	1,514,522	1,350,170	164,352	1,257,091
Facility acquisition and construction	21,500	-	21,500	14,765
Operating transfers	4,675,300	4,983,716	(308,416)	5,073,355
Adjustment to comply with legal max	-	(504,891)	504,891	-
Total Expenditures	$13,602,853	$13,602,853	-	$12,291,430
Receipts Over (Under) Expenditures	$ 324,504			$ (29,429)
Unencumbered Cash, Beginning	346,062			375,491
Unencumbered Cash, Ending	$ 670,566			$ 346,062

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-3

FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
State aid	$ 27,544	$ 21,163	$ 6,381	$ 27,442
Federal aid	3,189,921	3,141,367	48,554	3,381,828
Fees and charges	284,330	33,371	250,959	295,007
Earnings on investments	708	900	(192)	767
Miscellaneous	138,847	130,000	8,847	124,108
Total Receipts	$3,641,350	$3,326,801	$ 314,549	$3,829,152
Expenditures				
Operations and maintenance	$ 25,200	$ 41,000	$ (15,800)	$ 31,240
Food service operation	3,873,709	4,101,000	(227,291)	3,783,758
Total Expenditures	$3,898,909	$4,142,000	$ (243,091)	$3,814,998
Receipts Over (Under) Expenditures	$ (257,559)			$ 14,154
Unencumbered Cash, Beginning	1,659,749			1,645,595
Unencumbered Cash, Ending	$1,402,190			$1,659,749

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-4

DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
State aid	$ 13,920	$ 16,875	$ (2,955)	$ 22,910
Miscellaneous	6,750	-	6,750	14,496
Operating transfers	-	50,000	(50,000)	50,000
Total Receipts	$ 20,670	$ 66,875	$ (46,205)	$ 87,406
Expenditures				
Instruction	3,283	$112,900	$ (109,617)	98,721
Receipts Over (Under) Expenditures	$ 17,387			$ (11,315)
Unencumbered Cash, Beginning	92,415			103,730
Unencumbered Cash, Ending	$109,802			$ 92,415

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-5

CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Taxes and Shared Receipts:				
Ad valorem	$ 1,437,849	$ 1,458,088	$ (20,239)	$ 1,421,857
Delinquent tax	28,270	15,136	13,134	15,789
Motor vehicle tax	146,765	148,252	(1,487)	122,454
RV tax	767	771	(4)	649
Commercial vehicle tax	9,312	9,402	(90)	9,167
In lieu	-	179	(179)	-
State aid	1,350,396	1,416,038	(65,642)	1,275,320
Earnings on investments	1,739,891	-	1,739,891	1,781,269
Operating transfers	-	1,288,500	(1,288,500)	2,302,177
Total Receipts	$ 4,713,250	$ 4,336,366	$ 376,884	$ 6,928,682
Expenditures				
Instruction support staff	$ 447,120	$ -	$ 447,120	$ 48,785
Central services	1,076,333	-	1,076,333	353,703
Operations and maintenance	365,110	-	365,110	36,564
Student transportation services	174,731	3,500,000	(3,325,269)	335,453
Facility acquisition and construction	2,558,601	7,000,000	(4,441,399)	5,606,673
Debt service	-	-	-	905,900
Total Expenditures	$ 4,621,895	$10,500,000	$ (5,878,105)	$ 7,287,078
Receipts Over (Under) Expenditures	$ 91,355			$ (358,396)
Unencumbered Cash, Beginning	13,782,031			14,140,427
Prior year cancelled encumbrances	1,950,478			-
Unencumbered Cash, Ending	$15,823,864			$13,782,031

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-6

PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
State aid	$ -	$ 65,291	$ (65,291)	$ -
Operating transfers	300,000	-	300,000	200,000
Total Receipts	$ 300,000	$ 65,291	$ 234,709	$200,000
Expenditures				
Instruction	$ 126,201	$ -	$ 126,201	-
Instructional support staff	27,950	400,000	(372,050)	-
Central services	-	200,000	(200,000)	-
Total Expenditures	$ 154,151	$600,000	$ (445,849)	-
Receipts Over (Under) Expenditures	$ 145,849			$200,000
Unencumbered Cash, Beginning	990,293			790,293
Unencumbered Cash, Ending	$1,136,142			$990,293

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Liberal, Kansas

Schedule 2-7

GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Local grants	$198,578	$250,000	$ (51,422)	$175,115
Expenditures				
Instruction	$ 64,653	$300,000	$ (235,347)	$138,829
General Administration	240	-	240	-
Building improvements	40,180	-	40,180	52,880
Total Expenditures	$105,073	$300,000	$ (194,927)	$191,709
Receipts Over (Under) Expenditures	$ 93,505			$ (16,594)
Unencumbered Cash, Beginning	595,240			611,834
Unencumbered Cash, Ending	$688,745			$595,240

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Liberal, Kansas

Schedule 2-8

SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Federal aid	$ 22,618	$ 175,000	$ (152,382)	$ 162,157
Miscellaneous	21,309	25,000	(3,691)	7,223
Operating transfers	4,639,238	4,453,683	185,555	3,550,534
Total Receipts	$4,683,165	$4,653,683	$ 29,482	$ 3,719,914
Expenditures				
Instruction	$4,010,269	$4,403,709	$ (393,440)	$ 4,777,666
Student support services	86,824	-	86,824	-
General Administration	53,275	170,300	(117,025)	157,895
Operations and maintenance	(8)	-	(8)	8,796
Student transportation services	76,437	80,650	(4,213)	251,395
Total Expenditures	$4,226,797	$4,654,659	$ (427,862)	$ 5,195,752
Receipts Over (Under) Expenditures	$ 456,368			$ (1,475,838)
Unencumbered Cash, Beginning	977			1,476,815
Unencumbered Cash, Ending	$ 457,345			$ 977

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Liberal, Kansas

Schedule 2-9

BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Taxes and Shared Receipts:				
Ad valorem property tax	$ 496,843	$ 519,962	$ (23,119)	$ 965,361
Delinquent tax	30,816	10,205	20,611	27,507
Motor vehicle tax	123,736	138,996	(15,260)	156,392
RV tax	656	724	(68)	809
Commercial vehicle tax	6,579	8,816	(2,237)	9,966
In lieu	82	168	(86)	167
Other local sources	2,571,766	2,200,000	371,766	2,354,872
State aid	10,499,854	10,499,854	-	9,818,701
Total Receipts	$13,730,332	$13,378,725	$351,607	$13,333,775
Expenditures				
Debt service	11,538,302	$11,538,302	-	11,551,414
Receipts Over (Under) Expenditures	$ 2,192,030			$ 1,782,361
Unencumbered Cash, Beginning	13,936,046			12,153,685
Unencumbered Cash, Ending	$16,128,076			$13,936,046

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Liberal, Kansas

Schedule 2-10

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
State aid	$4,962,602	$6,090,248	$ (1,127,646)	$5,161,227
Expenditures				
Instruction	$3,573,073	$4,090,248	$ (517,175)	$3,716,084
Student support services	99,252	200,000	(100,748)	103,224
Instructional support staff	198,504	300,000	(101,496)	206,449
General Administration	347,383	400,000	(52,617)	361,286
School Administration	99,252	200,000	(100,748)	103,224
Central services	49,626	100,000	(50,374)	51,612
Operations and maintenance	347,382	400,000	(52,618)	361,286
Student transportation services	99,252	200,000	(100,748)	103,225
Food service operation	148,878	200,000	(51,122)	154,837
Total Expenditures	$4,962,602	$6,090,248	$ (1,127,646)	$5,161,227
Receipts Over (Under) Expenditures	-			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	-			-

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-11

BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$2,281,833	$2,275,138	$ 6,695	$2,201,446
Expenditures				
Instruction	$1,984,731	$2,275,138	$ (290,407)	$2,201,446
School administration	16,333	-	16,333	-
Total Expenditures	$2,001,064	$2,275,138	$ (274,074)	$2,201,446
Receipts Over (Under) Expenditures	$ 280,769			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	$ 280,769			-

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Liberal, Kansas

Schedule 2-12

VOCATIONAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$210,140	$711,500	$ (501,360)	$1,188,181
Expenditures				
Instruction	$229,016	$711,500	$ (482,484)	$ 655,531
Student transportation services	-	200,000	(200,000)	-
Total Expenditures	$229,016	$911,500	$ (682,484)	$ 655,531
Receipts Over (Under) Expenditures	$ (18,876)			$ 532,650
Unencumbered Cash, Beginning	532,650			-
Unencumbered Cash, Ending	$513,774			$ 532,650

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Liberal, Kansas

Schedule 2-13

SUMMER SCHOOL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$300,000	$500,000	$ (200,000)	$361,439
Expenditures				
Instruction	$200,171	$531,000	$ (330,829)	-
Student support services	5,637	-	5,637	-
Instructional support staff	-	50,000	(50,000)	-
School Administration	8,416	38,500	(30,084)	-
Total Expenditures	$214,224	$619,500	$ (405,276)	-
Receipts Over (Under) Expenditures	$ 85,776			$361,439
Unencumbered Cash, Beginning	361,439			-
Unencumbered Cash, Ending	$447,215			$361,439

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Liberal, Kansas

Schedule 2-14

4-YEAR-OLD AT RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS

For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$600,000	$600,000	-	$564,674
Expenditures				
Instruction	$464,807	$388,650	$ 76,157	$350,357
Student support services	29,349	211,350	(182,001)	214,317
Instructional support staff	78,229	-	78,229	-
Total Expenditures	$572,385	$600,000	$ (27,615)	$564,674
Receipts Over (Under) Expenditures	$ 27,615			-
Unencumbered Cash, Beginning	-			-
Unencumbered Cash, Ending	$ 27,615			-

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Liberal, Kansas

Schedule 2-15

AT RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	Current Year			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$13,986,842	$15,519,409	$ (1,532,567)	$13,137,276
Expenditures				
Instruction	$11,611,968	$11,861,000	$ (249,032)	$11,947,192
Student support services	841,165	1,111,500	(270,335)	831,864
Instructional support staff	607,841	782,000	(174,159)	680,389
School administration	5,599	164,909	(159,310)	227,708
Other support services	-	1,600,000	(1,600,000)	-
Total Expenditures	$13,066,573	$15,519,409	$ (2,452,836)	$13,687,153
Receipts Over (Under) Expenditures	$ 920,269			$ (549,877)
Unencumbered Cash, Beginning	-			549,877
Unencumbered Cash, Ending	$ 920,269			-

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2
(Continued)

SCHEDULES OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-16

JUMP START SUMMER SCHOOL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts	$ -	-
Expenditures		
Instruction	3,195	-
Receipts Over (Under) Expenditures	$ (3,195)	$ -
Unencumbered Cash, Beginning	39,585	39,585
Unencumbered Cash, Ending	$ 36,390	$ 39,585

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Schedule 2-17

OTHER OPERATIONS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Student activities	$ 340,754	$ 379,752
Expenditures		
Student activities	757,623	167,899
Receipts Over (Under) Expenditures	$ (416,869)	$ 211,853
Unencumbered Cash, Beginning	1,534,198	1,322,345
Unencumbered Cash, Ending	$1,117,329	$1,534,198

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Liberal, Kansas

Schedule 2-18

TEXTBOOK RENTAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Fees and charges	$ 219,189	$111,257
Expenditures		
Instruction	576,500	57,713
Receipts Over (Under) Expenditures	$ (357,311)	$ 53,544
Unencumbered Cash, Beginning	511,659	458,115
Unencumbered Cash, Ending	$ 154,348	$511,659

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Liberal, Kansas

Schedule 2-19

CARL PERKINS – SECONDARY IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ 57,162	$ 48,679
Expenditures		
Instruction	$ 54,856	$ 46,904
Instructional support services	1,736	-
School administration	-	1,615
Operations and maintenance	-	160
Total Expenditures	$ 56,592	$ 48,679
Receipts Over (Under) Expenditures	$ 570	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ 570	-

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Liberal, Kansas

Schedule 2-20

CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Operating transfers	$1,093,743	$1,800,000
Expenditures	-	-
Receipts Over (Under) Expenditures	$1,093,743	$1,800,000
Unencumbered Cash, Beginning	3,600,000	1,800,000
Unencumbered Cash, Ending	$4,693,743	$3,600,000

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Schedule 2-21

MCKINNEY VENTO GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ -	$ 21,839
Miscellaneous	18,231	-
Total Receipts	$ 18,231	$ 21,839
Expenditures		
Community services	-	66,430
Receipts Over (Under) Expenditures	$ 18,231	$ (44,591)
Unencumbered Cash, Beginning	(44,731)	(140)
Prior year cancelled encumbrances	26,500	-
Unencumbered Cash, Ending	-	$ (44,731)

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Schedule 2-22

ESSER II – SPED FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	-	$113,537
Expenditures		
Instruction	-	112,514
Receipts Over (Under) Expenditures	-	$ 1,023
Unencumbered Cash, Beginning	-	(1,023)
Unencumbered Cash, Ending	-	-

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Liberal, Kansas

Schedule 2-23

ESSER II FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ 59,948	$ 10,241
Operating transfers	-	92,388
Total Receipts	$ 59,948	$ 102,629
Expenditures		
Instruction	58,925	-
Receipts Over (Under) Expenditures	$ 1,023	$ 102,629
Unencumbered Cash, Beginning	-	(102,629)
Unencumbered Cash, Ending	$ 1,023	-

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Liberal, Kansas

Schedule 2-24

ESSER III FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ 3,183,920	$ 5,526,636
Expenditures		
Instruction	$ (3,459)	$ 2,231,526
Student support services	-	182,981
School Administration	-	159,412
Operations and maintenance	-	252,088
Student transportation services	-	42,137
Building improvements	916,275	(16,182)
Operating transfers	-	89,142
Total Expenditures	$ 912,816	$ 2,941,104
Receipts Over (Under) Expenditures	$ 2,271,104	$ 2,585,532
Unencumbered Cash, Beginning	(2,271,104)	(4,856,636)
Unencumbered Cash, Ending	-	$ (2,271,104)

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Liberal, Kansas

Schedule 2-25

TITLE I LOW INCOME FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$1,325,789	$1,182,612
Operating transfers	66,268	80,610
Total Receipts	$1,392,057	$1,263,222
Expenditures		
Instruction	$1,388,047	$1,259,952
Student support services	38	-
Instructional support staff	-	(1,598)
Operations and maintenance	-	1,831
Community service	3,972	3,037
Total Expenditures	$1,392,057	$1,263,222
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

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Liberal, Kansas

Schedule 2-26

TITLE I MIGRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$200,030	$224,858
Expenditures		
Instruction	$111,730	$188,108
Student support services	21,426	14,154
School administration	11,836	-
Operations and maintenance	-	272
Student transportation services	58,642	19,217
Food service operation	65	20
Student activities	-	3,087
Total Expenditures	$203,699	$224,858
Receipts Over (Under) Expenditures	$ (3,669)	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ (3,669)	-

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Schedule 2-27

TITLE III ENGLISH LANGUAGE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$134,382	$129,255
Expenditures		
Instruction	$ 68,055	$123,120
Instructional support staff	9,688	6,135
Total Expenditures	$ 77,743	$129,255
Receipts Over (Under) Expenditures	$ 56,639	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ 56,639	-

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Schedule 2-28

21ST CENTURY GRANT – APACHE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ 54,239	-
Expenditures		
Instruction	$ 38,391	-
School administration	5,304	-
Community services	4,513	-
Total Expenditures	$ 48,208	-
Receipts Over (Under) Expenditures	$ 6,031	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ 6,031	-

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Schedule 2-29

PROJECT BLAST AFTER SCHOOL PROGRAM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Fees and charges	$ 30,158	$ 31,019
Operating transfers	-	42,282
Total Receipts	$ 30,158	$ 73,301
Expenditures		
Instruction	$ 21,017	$ 71,294
Food service operation	9,141	10,562
Total Expenditures	$ 30,158	$ 81,856
Receipts Over (Under) Expenditures	-	$ (8,555)
Unencumbered Cash, Beginning	-	8,555
Unencumbered Cash, Ending	-	-

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Liberal, Kansas

Schedule 2-30

TITLE IV A STUDENT SUPPORT AND ACADEMIC ENRICHMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ 66,268	$102,454
Expenditures		
Instruction	$ -	$102,454
Operating transfers	66,268	-
Total Expenditures	$ 66,268	$102,454
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

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Liberal, Kansas

Schedule 2-31

MEADOWLARK APPRENTICESHIP FEDERAL GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
State aid	$ 66,868	-
Expenditures		
Operations and maintenance	66,868	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

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Liberal, Kansas

Schedule 2-32

TITLE VI-B PASS THRU FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$1,334,137	$698,434
Expenditures		
Instruction	$1,317,688	$698,434
Instructional support services	16,449	-
Total Expenditures	$1,334,137	$698,434
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

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Schedule 2-33

EARLY CHILDHOOD PASS THRU / 3-21 PRIVATE SCHOOL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ 26,307	-
Expenditures		
Instruction	$ 19,903	-
Student support services	6,404	-
Total Expenditures	$ 26,307	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-34

TITLE VI-B PASS THRU ARP FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	-	$181,014
Expenditures		
Instruction	-	181,014
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-35

SPED TARGETED IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$ 31,084	$ 18,640
Expenditures		
Instruction	31,084	18,640
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-36

TITLE IV STUDENT SUPPORT AND ACADEMIC ENRICHMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	-	$ 80,610
Expenditures		
Operating transfers	-	80,610
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 2-37

TITLE II-A TEACHER QUALITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the fiscal year ended June 30, 2025
(with comparative actual totals for the prior year ended June 30, 2024)

	6-30-25	6-30-24
Receipts		
Federal aid	$187,320	$122,282
Expenditures		
Instruction	$185,095	$122,282
Instructional support services	524	-
General Administration	367	-
School Administration	1,334	-
Total Expenditures	$187,320	$122,282
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 3

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the fiscal year ended June 30, 2025

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 3

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the fiscal year ended June 30, 2025

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organization Funds:				
Liberal High School:				
Cheerleaders	$ 30,915	$ 73,865	$ 71,605	$ 33,175
Dance Team	7,229	4,131	4,678	6,682
Anime	497	2,514	2,043	968
Art Menagerie	1,369	-	-	1,369
Black Student Union	1,505	-	-	1,505
Book Club	111	-	-	111
DECA	5,355	-	-	5,355
CPC	6,435	3,859	2,896	7,398
FCA	41	-	-	41
FCCLA	3,564	4,252	6,797	1,019
FFA	-	4,514	2,216	2,298
Key Club	537	1,970	1,885	622
LHS Car Club	237	-	-	237
National Honor Society	470	207	355	322
Chess Club	71	-	-	71
Multi-Cultural Club	188	-	-	188
Student Council	3,387	1,454	3,758	1,083
Debate/Forensics	2,921	5,097	3,638	4,380
Thespians	2,130	8,391	8,995	1,526
Thespian Trip	202	-	-	202
Mirage Yearbook	14,772	13,463	11,029	17,206
Redskin Newspaper	2,907	1,151	-	4,058
TV Broadcasting	121	-	-	121
Class of 1965 to Present	24,092	1,496	-	25,588
Senior Class 2024	1,329	-	1,329	-
Senior Class 2025	852	2,267	89	3,030
Junior Class	2,533	10,196	9,094	3,635
Sophomore Class	1,442	1,362	100	2,704
Freshman Class	-	1,222	-	1,222

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 3
(Continued)

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the fiscal year ended June 30, 2025

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Liberal High School (Continued):				
Fees	696	138,187	138,500	383
AP Account	455	665	1,092	28
Counselors' College Trips	10,458	-	-	10,458
Fire Science	97	-	-	97
ID Badges	780	-	-	780
Liberal Redskin Car Tags	(367)	367	-	-
Lanyards	122	-	-	122
Marketing Management	21,458	58,557	35,925	44,090
Robotics	1,747	-	-	1,747
Alternative School	1,029	-	-	1,029
Job Explorations	1,256	1,125	752	1,629
Redskin Reachout	478	1,000	584	894
Student Activity Account	108,246	18,550	960	125,836
Student Rewards	29,958	16,937	105	46,790
E-Sports	173	321	360	134
Wood	-	585	70	515
Total Liberal High School	$ 291,798	$ 377,705	$ 308,855	$ 360,648
Seymour Rogers Middle School:				
Fees	$ -	$ 21,856	$ 21,856	$ -
Cheerleaders	4,183	11,286	9,314	6,155
National Jr. Honor Society	5,067	21,621	20,287	6,401
Booster Club	65	2,447	2,512	-
Student Council	1,734	5,019	4,653	2,100
Yearbook	3,538	4,072	6,077	1,533
Fellowship of Christian Athletes	402	-	300	102
School Store	1,366	-	-	1,366
AVID	1,237	-	-	1,237
Industrial Arts	1,415	97	-	1,512
Apache Shirts	1,062	4,076	5,048	90
Student of the Month	91	-	-	91

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 3
(Continued)

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the fiscal year ended June 30, 2025

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Seymour Rogers Middle School (Cont.):				
FCCLA	462	-	-	462
Robotics	1,424	185	374	1,235
Halo	121	-	-	121
Total Seymour Rogers Middle School	$ 22,167	$ 70,659	$ 70,421	$ 22,405
Eisenhower Middle School:				
Fees	$ 2,842	$ 29,729	$ 28,723	$ 3,848
Builders Club	837	-	-	837
Newspaper/Media/Yearbook	2,332	7,133	7,214	2,251
National Jr. Honor Society	222	4,863	3,938	1,147
Science Club	971	1,205	1,141	1,035
Student Council	2,374	6,221	6,192	2,403
DND	77	-	-	77
FCCLA	423	-	-	423
Thespian	845	334	-	1,179
FACS	81	450	24	507
Girls PE	128	354	-	482
Boys PE	119	-	-	119
Life Skills	-	299	181	118
AVID	1,233	1,553	2,786	-
Total Eisenhower Middle School	$ 12,484	$ 52,141	$ 50,199	$ 14,426
Total Student Organization Funds	$ 326,449	$ 500,505	$ 429,475	$ 397,479
Employee Deduction Fund	285,309	9,246,536	8,738,935	792,910
Total Agency Funds	$ 611,758	$9,747,041	$9,168,410	$1,190,389

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 4

DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND
UNENCUMBERED CASH – REGULATORY BASIS
For the fiscal year ended June 30, 2025

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 4

DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND
UNENCUMBERED CASH – REGULATORY BASIS
For the fiscal year ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance
Liberal High School:				
Gate Receipts:				
Athletics	$ 64,502	$358,546	$328,641	$ 94,407
Musical	5,526	4,615	5,427	4,714
Subtotal Gate Receipts	$ 70,028	$363,161	$334,068	$ 99,121
School Projects:				
Band	$ 3,537	$ 57,776	$ 49,238	$ 12,075
Charity Donations	4,642	-	775	3,867
Concessions	8,195	89,141	89,588	7,748
Vocal	10,922	3,402	3,099	11,225
Subtotal School Projects	$ 27,296	$150,319	$142,700	$ 34,915
Total Liberal High School	$ 97,324	$513,480	$476,768	$134,036
Seymour Rogers Middle School:				
Gate Receipts – Athletics	$ 16,625	$ 59,814	$ 63,203	$ 13,236
School Projects:				
Band	$ 3,511	$ 25,316	$ 27,448	$ 1,379
Concessions	8,282	13,120	11,770	9,632
Library	2,273	1,336	1,347	2,262
Vocal	48	-	-	48
Subtotal School Projects	$ 14,114	$ 39,772	$ 40,565	$ 13,321
Total Seymour Rogers Middle School	$ 30,739	$ 99,586	$103,768	$ 26,557
Eisenhower Middle School:				
Gate Receipts – Athletics	$ 29,199	$ 74,642	$ 66,224	$ 37,617
School Projects:				
Band	$ 1,652	$ 2,782	$ 1,365	$ 3,069
Concessions	2,198	22,239	21,523	2,914
Vocals	1,123	1,202	1,565	760
Subtotal School Projects	$ 4,973	$ 26,223	$ 24,453	$ 6,743
Total Eisenhower Middle School	$ 34,172	$100,865	$ 90,677	$ 44,360
Total District Activity Funds	$162,235	$713,931	$671,213	$204,953

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

SUPPLEMENTARY INFORMATION

HAY·RICE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
CHARTERED

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

To the Board of Education
Unified School District No. 480
Liberal, Kansas 67901

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 480's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Unified School District No. 480's major federal programs for the fiscal year ended June 30, 2025. Unified School District No. 480's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Unified School District No. 480 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Unified School District No. 480 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Unified School District No. 480's compliance with the compliance requirements referred to above.

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Member of Private Practice Section

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Unified School District No. 480's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Unified School District No. 480's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Unified School District No. 480's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Unified School District No. 480's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Unified School District No. 480's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Unified School District No. 480's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2025-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Unified School District No. 480's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Unified School District No. 480's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

Our consideration of 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.

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.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

December 18, 2025

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 5

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2025

Federal Grantor/Pass Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Expenditures
U. S. Department of Agriculture – Passed Through Kansas Department of Education:		
Child Nutrition Cluster:		
School Breakfast Program	10.553	$ 718,513
National School Lunch Program:		
Section 4	10.555	2,062,165
Summer Food Service Program for Children	10.559	277,842
Fresh Fruit and Vegetable Program	10.582	131,401
Total U.S. Department of Agriculture		$ 3,189,921
U. S. Department of Education – Passed Through Kansas Department of Education:		
Title I Grants to Local Educational Agencies:		
Title I Low Income	84.010	$ 1,325,789
Special Education Cluster (IDEA):		
Special Education Grants to States	84.027	1,365,221
Special Education Preschool Grants	84.173	26,307
Migrant Education – State Grant Program	84.011	202,476
Program Improvement	84.048	56,593
English Language Acquisition Grants	84.365	77,743
Supporting Effective Instruction	84.367	187,320
ESSA-Student Support Academic Enrichment	84.424	66,268
ESSER COVID-19 Coronavirus	84.425	970,830
Total U.S. Department of Education		$ 4,278,547
Total Expenditures of Federal Awards		$ 7,468,468

See accompanying notes to schedule of expenditures of federal awards.

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2025

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule 5) includes the federal award activity of Unified School District No. 480 under programs of the federal government for the fiscal year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Unified School District No. 480, it is not intended to and does not present the aggregate cash and unencumbered cash balances and receipts and expenditures of Unified School District No. 480.

Note B: Summary of Significant Accounting Policies

Expenditures reported on the accompanying Schedule of Expenditures of Federal Awards are reported on the regulatory basis of accounting, which are accounting practices prescribed by the State of Kansas and are described in Note 1 to the School District's regulatory basis financial statement.

Note C: Indirect Cost Rate

Unified School District No. 480 has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note D: Subrecipients

No awards were passed through to subrecipients.

Note E: Identifying Number

All awards have an identifying number assigned by the pass-through entity of FY2024-2025.

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

Schedule 6

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2025

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the regulatory basis financial statements of Unified School District No. 480.

2. No significant deficiencies were disclosed during the audit of the financial statements that would be required to be reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. No material weaknesses are reported.

3. No instances of noncompliance material to the financial statements of Unified School District No. 480 were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs were disclosed during that audit that would be required to be reported in the Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. No material weaknesses are reported.

5. The auditor's report on compliance for the major federal award programs for Unified School District No. 480 expresses an unmodified opinion on all major federal programs.

6. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this Schedule.

7. The programs tested as major programs were:
   Child Nutrition Cluster Assistance Listing #10.553, #10.555, 10.559, 10.582
   Title I Grants to Local Educational Agencies Assistance Listing #84.010
   Special Education Cluster Assistance Listing #84.027, 84.173
   ESSER COVID-19 Coronavirus Assistance Listing #84.425

8. The threshold for determining type A and B programs was $750,000.

9. Unified School District No. 480 did not qualify as a low-risk auditee.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2025

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding 2025-001.

Federal Agency: US Department of Education

State Department/Agency: Kansas Department of Education

Federal Program Title: Special Education Cluster

Assistance Listing Number:

84.027 – Special Education – Grants to States (IDEA, Part B)
82.173 – Special Education – Preschool Grants (IDEA Preschool)

Award Period: July 1, 2024 to June 30, 2025

Award Number: Various

Compliance Requirement: Documentation of Employee Time and Effort under 2 CFR 200.430(g)

Type of Finding: Questioned Costs

Criteria or Specific Requirement: Schools are required to record time and effort of employees in accordance with the Elementary and Secondary Education Act of 1965 (ESEA) and 2 CFR 200.430(g). Specifically, 2 CFR 200.430(g)(1)(vi) states that charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one federal award; a federal award and non-federal award; an indirect cost activity and a direct cost activity; two or more indirect activities allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2025

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT (Continued)

Finding 2025-001. (Continued)

Condition: We noted that seven of the employees tested did not have proper time and effort documentation. Upon further examination, it was determined that the salary and wages for these employees were charged to a federal program when they should not have been.

Questioned Costs: The charges for these seven employees include $343,766 for wages and $26,544 for the related payroll taxes for a total of $370,310.

Cause: Per discussion with management, there was poor communication between the special education director and the director of business services.

Context: We selected a sample of employees in other federal programs with no issues identified. This appears to be an isolated instance for this program and not a systemic problem.

Effect: The School District is not in compliance with ESEA and 2 CFR 200.430(g).

Repeat Finding: No

Recommendation: We recommend that the School District implement procedures to improve communication between the special education director and the director of business services. Furthermore, we recommend that the School District implement procedures that better monitor which employees are being paid out of which fund.

Views of Responsible Officials: There is no disagreement with the audit finding.

UNIFIED SCHOOL DISTRICT NO. 480
Liberal, Kansas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the fiscal year ended June 30, 2025

Major Program Findings

There were no findings related to federal award programs in the prior year audit.