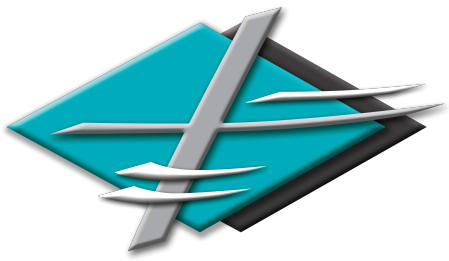
UNIFIED SCHOOL DISTRICT NUMBER 408
MARION, KANSAS

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2023



LOYD GROUP, LLC

Certified Public Accountants

Unified School District Number 408
Marion, Kansas

Fiscal Year Ended June 30, 2023

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Unified School District Number 408
Marion, Kansas

Fiscal Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District 408
101 North Thorp
Marion, KS 66861

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 Number 408, Kansas (District), a Municipal Financial Reporting Entity, as of and for the year ended June 30, 2023, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2023, and the aggregate receipts and expenditures for 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 *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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the

regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures—actual and budget, individual fund schedules of regulatory basis receipts and expenditures—actual and budget, schedule of regulatory basis receipts and disbursements—agency funds, schedules 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*. 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 previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District Number 408 as of and for the year ended June 30, 2022 (not presented herein), and have issued their report thereon dated September 6, 2022, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and their accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipalservices. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2023 (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 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2022, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statement of Unified School District Number 408, Kansas. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* is presented for purposes of additional analysis and is 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2023, on our consideration of Unified School District Number 408'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 Number 408'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 Number 408's internal control over financial reporting and compliance.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
August 31, 2023

Unified School District Number 408
Marion, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2023

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUNDS:						
General Fund	$ -	$ 4,949,619	$ 4,949,619	$ -	$ 42,394	$ 42,394
Supplemental General Fund	96,682	1,568,330	1,542,651	122,361	-	122,361
SPECIAL PURPOSE FUNDS:						
At Risk (4 Yr Old) Fund	2,000	66,377	68,377	-	-	-
At Risk (K-12) Fund	-	709,336	709,336	-	-	-
Virtual Education Fund	-	32,370	32,370	-	-	-
Capital Outlay Fund	153,511	581,561	342,627	392,445	-	392,445
Driver Training Fund	19,254	8,020	5,098	22,176	-	22,176
Food Service Fund	166,687	383,956	422,008	128,635	-	128,635
Professional Development Fund	1,312	3,675	4,260	727	-	727
Special Education Fund	65,332	1,206,861	1,272,193	-	-	-
Career and Postsecondary Education Fund	4,789	143,746	148,535	-	2,107	2,107
KPERS Special Retirement Contribution Fund	-	532,351	532,351	-	-	-
Contingency Reserve Fund	138,864	130,000	138,844	130,020	-	130,020
Textbook/Student Material Revolving Fund	70,225	31,458	71,178	30,505	-	30,505
Title I Fund	-	100,961	100,961	-	-	-
Grants Fund	22,325	133,372	121,708	33,989	-	33,989
ESSER Fund	(141,939)	366,244	464,686	(240,381)	-	(240,381)
Recreation Fund	13,450	1,450	9,425	5,475	-	5,475
Gate Receipts	2,059	126,521	117,502	11,078	-	11,078
BOND AND INTEREST FUND:						
Bond and Interest Fund	789,669	687,333	890,150	586,852	-	586,852
TRUST FUND:						
Pippen Scholarship Fund	21,556	528	500	21,584	-	21,584
Darrow Scholarship Fund	7,196	169	500	6,865	-	6,865
Hett Scholarship Fund	16,515	402	500	16,417	-	16,417
MHS Alumni Scholarship Fund	6,861	161	500	6,522	-	6,522
Fruechting Memorial Scholarship Fund	51,123	1,235	2,000	50,358	-	50,358
MHS Coaches Scholarship Fund	12,781	128	12,909	-	-	-
Navrat Scholarship Fund	240,824	5,941	4,000	242,765	-	242,765
Wrestling Scholarship Fund	288	260	-	548	-	548
Jeff Harris Scholarship Fund	3,886	86	500	3,472	-	3,472
Craft Memorial Scholarship Fund	2,369	48	500	1,917	-	1,917
Total Reporting Entity (Excluding Agency Func	$ 1,767,619	$ 11,772,499	$ 11,965,788	$ 1,574,330	$ 44,501	$ 1,618,831

COMPOSITION OF CASH:	
Marion National Bank - NOW account	$ 158,039
Central National Bank - Scholarship Certificate of Deposit	350,447
Central National Bank - Performance Checking	1,071,304
Central National Bank - High School Activity Fund	43,880
Tampa State Bank - NOW Account	27,963
Tampa State Bank - Middle School Activity Fund	8,475
Total Cash	1,660,108
Agency Funds per Schedule 3	(41,277)
Total Reporting Entity (Excluding Agency Funds)	$ 1,618,831

UNIFIED SCHOOL DISTRICT NUMBER 408
MARION, KS

NOTES TO THE FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

Unified School District Number 408 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District Number 408 (the District), a municipality.

(b) Regulatory Basis Fund Types

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

Special Purpose 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 the acquisition or construction of major capital facilities or equipment.

Business Fund—funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing, county treasurer tax collection accounts, etc.).

(c) Basis of Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

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

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The municipality 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 budget amendments for this 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.

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

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds: Contingency Reserve, Textbook/Student Material Revolving, Title I, Grants, ESSER, Recreation and District Activity Funds - Gate Receipts.

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Kansas municipalities are subject to the cash-basis law as stated in Kansas Statute 10-1113. The ESSER fund has a negative unencumbered cash balance at June 30, 2022 and June 30, 2023, which is allowable under Kansas Statute 12-1663. These funds will be reimbursed in the following fiscal year from federal grant programs.

3. DEPOSITS AND INVESTMENTS

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

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

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

3. DEPOSITS AND INVESTMENTS (CONT.)

Custodial credit risk. Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2023.

At year end, the carrying amount of the District's deposits was $1,660,108 and the bank balance was $2,042,006. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $444,509 was covered by federal depository insurance and $1,597,497 was collateralized with securities held by the pledging institution's agents in the District's name.

Custodial credit risk—investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. INTERLOCAL AGREEMENT

The City of Marion approved the proposal from the District for the City to utilize the District's indoor swimming pool facility for public and City recreation use on March 8, 2021. The City agrees to pay $100,000 annually to the District for the life of the bonds and also split net expenses each year equally with the District, to be revaluated in three years.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk 4 Yr Old Fund	K.S.A. 72-5167	$ 58,277
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	551,475
General Fund	Virtual Education Fund	K.S.A. 72-5167	32,370
General Fund	Food Service	K.S.A. 72-5167	21
General Fund	Special Education Fund	K.S.A. 72-5167	864,458
General Fund	Career and Postsecondary	K.S.A. 72-5167	68,899
General Fund	Contingency Reserve	K.S.A. 72-5167	130,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5413	157,861
Supplemental General Fund	Special Education Fund	K.S.A. 72-5413	342,494
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5413	74,847
			$ 2,280,702

6. LONG-TERM DEBT

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

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Series 2015 Refunding	3.00%	03-25-15	$ 4,725,000	09-01-24	$ 1,435,000	$ -	$ 860,000	$ 575,000	$ 30,150
Series 2023	4.00%	08-01-23	$ 3,185,000	09-01-34	-	3,185,000	-	3,185,000	-
Total General Oblication Bonds					1,435,000	3,185,000	860,000	3,760,000	30,150
Capital Leases									
Bus Lease	2.345%	05-28-20	96,800	05-28-23	33,025	-	33,025	-	794
HVAC	4.000%	06-30-19	1,100,000	09-10-28	788,620	-	99,888	688,732	31,466
Total Capital Leases					821,645	-	132,913	688,732	32,260
Total Contractual Indebtedness					$ 2,256,645	$ 3,185,000	$ 992,913	$ 4,448,732	$ 62,410

6. LONG-TERM DEBT (CONT.)

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

	Year							
	2024	2025	2026	2027	2028	2029-2033	2034-2035	Total
Principal								
General Obligation Bonds								
Series 2015 Refunding	$ 575,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 575,000
Series 2023	-	35,000	235,000	250,000	270,000	1,655,000	740,000	3,185,000
Total General Obligation Bonds	575,000	35,000	235,000	250,000	270,000	1,655,000	740,000	3,760,000
Capital Leases								
HVAC	103,874	107,955	112,326	116,808	121,468	126,301	-	688,732
Total Principal	678,874	142,955	347,326	366,808	391,468	1,781,301	740,000	4,448,732
Interest								
General Obligation Bonds								
Series 2015 Refunding	19,125	-	-	-	-	-	-	19,125
Series 20232 Refunding	74,317	126,700	121,300	111,600	101,200	321,900	28,400	885,417
Total General Obligation Bonds	93,442	126,700	121,300	111,600	101,200	321,900	28,400	904,542
Capital Leases								
HVAC	27,480	23,400	19,028	14,547	9,886	5,053	-	99,394
Total Interest	120,922	150,100	140,328	126,147	111,086	326,953	28,400	1,003,936
Total Principal and Interest	$ 799,796	$ 293,055	$ 487,654	$ 492,955	$ 502,554	$2,108,254	$ 768,400	$ 5,452,668

7. DEFINED BENEFIT PENSION PLAN

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

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

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

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

7. DEFINED BENEFIT PENSION PLAN (CONT.)

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

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for Fiscal Years 2022 and 2023. Fiscal Year 2022 was recertified from 14.09% to 13.33% and Fiscal Year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021. The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 million.

The State of Kansas is required to contribute the statutory required employer's share, except for retired District employees. The District is responsible for the employer's portion of the cost of retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $532,351 for the year ended June 30, 2023.

Net Pension Liability: At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was $5,660,094. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2022. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. If the employee worked for the District for more than 15 years and took early retirement, the District pays the premium until the former employee reaches the age of 65. This benefit is no longer being offered to current employees. Other retirees, who did not take the early retirement benefit, pay the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Death and Disability Other Post Employment Benefits

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

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

(c) Compensated Absences

Accumulated sick pay is not paid to employees upon termination of employment unless employees have been employed 15 years or more. Vacation, sick leave and other compensated absences are recorded as expenditures in governmental funds when they are paid.

Employees earn 10 days sick leave each year with a maximum accumulation of 75 days. Any accumulation of sick leave over 75 days is paid to the employee at the rate of $25 per day. Upon retirement, after 15 years of employment, the employee shall be paid $25 for each day of unused sick leave.

The District has an "Early Resignation Incentive" program (not an early retirement program) as follows: Teachers who provide written notice of resignation at the end of the contract term will be provided the financial incentive, which corresponds to the resignation submission date stated in the program document.

9. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the individual governmental funds or the overall financial position of the District.

During the ordinary course of its operations the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material impact on the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2022 to 2023, and there were no settlements that exceeded insurance coverage in the past three years.

10. SCHOLARSHIP FUNDS

During the year ended June 30, 1994, the District was named trustee of the H. Dean Pippin Memorial Scholarship Fund. Under the terms of the trust agreement, all contributions to the fund must be maintained as principal. A scholarship(s) of at least 90% of earnings shall be granted at least annually from the income derived from the trust principal during the previous trust year to one or more high school seniors graduating from Marion High School who intend to continue their education with post-high school studies. No contributions were made during the year ended June 30, 2023, and the corpus balance is $21,300.

During the year ended June 30, 1997, the District was named trustee of the Corey Darrow Memorial Scholarship Fund. Under the terms of the addendum to the trust agreement signed June 3, 2013, the distributed amount of the scholarship will be $500 annually. The amount will be derived from interest earned on the account throughout the year and principal within the account. No contributions were made during the year ended June 30, 2023.

During the year ended June 30, 1998, the District was named trustee of the Calvin Ray Hett Memorial Scholarship Fund. Under the terms of the addendum signed May 30, 2013, the distributed amount of the scholarship will be $500 annually. The amount will be derived from interest earned on the account throughout the year and principal within the account. A scholarship(s) can be given to a high school senior graduating from Marion High School who intends to continue his/her education with post-high school studies in agriculture or an agriculture related field. No contributions were made during the year ended June 30, 2023.

During the year ended June 30, 1998, the District was named trustee of the Marion High School Alumni Scholarship Fund. Under the terms of the addendum to the trust agreement signed on May 20, 2013, the distributed amount of the MHS Alumni Scholarship will be an amount not to exceed $500 annually. The amount will be derived from interest earned on the account throughout the year and principal within the account. There shall be a scholarship granted at least annually from the income derived from the trust principal to one or more recipients, as deemed appropriate and advisable by the District. Preference is given to high school seniors who choose to enroll in an accredited school of higher education. No contributions were made during the year ended June 30, 2023.

10. SCHOLARSHIP FUNDS (CONT.)

During the year ended June 30, 2003, the District was named trustee of the John Leslie and Ada Estelle Fruechting Memorial Scholarship Fund. Under the terms of the trust agreement, all funds will be held in the trust with only the interest used for scholarship aid. The trust shall be perpetual. There shall be a scholarship granted at least annually from the income derived from the trust principal to one or more recipients, as deemed appropriate and advisable by the District. $2,000 will be distributed annually payable in two scholarships for $500 and one scholarship for $1,000. Preference is to be given to high school seniors intending to pursue post-high school studies at a four-year college or university that have shown leadership qualities either in the classroom or school activities. No contributions were made during the year ended June 30, 2023, and the corpus balance remains $45,000.

During the year ended June 30, 2003, the District was named trustee of the MHS Coaches' Scholarship Fund. Under the terms, the fund is intended to be perpetual. The scholarship is to be awarded to college bound graduating seniors in honor of former Marion High School coaches who have been nominated and met the MHSCSP qualifying criteria. One student/athlete will be nominated by the coaching staff of each individual sport offered at Marion High School. In addition, the Marion High School Athletic Director will nominate one at-large student/athlete that has not been nominated by an individual sport. These individual scholarships shall be in the amount up to $300 scholarships and one $500 scholarship per year until all funds are depleted. Income may also be expended for scholarship recipient plaques according to an addendum approved July 1, 2009. Contributions of $9,909 were made during the year ended June 30, 2023.

During the year ended June 30, 2015, the District was named trustee of the Michael Navrat and Helen Ptacek Navrat Endowed Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. The District shall spend the trust income acquired from the principal amount, less any investment expenses, to grant one or more scholarships of equal amounts rounded to the nearest one hundred dollars. When rounding for the scholarships, if not all the income is used, the excess may go to increase the principal or the deficit may decrease the amount of the principal. The scholarship is to be awarded at least annually to one or more college bound graduating seniors as deemed appropriate and advisable by the District. Preference is to be given to high school seniors who have demonstrated financial hardship as determined by Marion High School. No contributions were made during the year ended June 30, 2023. The corpus is $234,215 at June 30, 2023.

During the year ended June 30, 2015, the District was named trustee of the Marion Junior Wrestling Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. The District shall grant one scholarship in the amount of $250 annually to one high school senior wrestler who is intending to continue their education with post-high school collegiate studies. Preference shall be given to those high school wrestlers that contributed to the team's success, as well as their displayed character, leadership and sportsmanship as determined by the District. No contributions were made during the year ended June 30, 2023.

During the year ended June 30, 2018, the District was named trustee of the Jeff Harris Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. The District shall grant one or more recipients a scholarship in the amount of $500 annually to high school seniors intending to pursue post-high school studies at a vocational-technical school. Preference shall be given to those high school seniors intending to pursue post-high school studies at a vocational-technical school as determined by the District. No contributions were made during the year ended June 30, 2023.

During the year ended June 30, 2022, the District was named trustee of the Craft Scholarship Fund. Under the terms of the trust agreement, the fund is intended to be perpetual. Annualy, the District shall grant one or more recipients a scholarship as deemed appropriate and advisable by the Trustee. The scholarship shall be grandted to one or more high school seniors graduatiion from Marion High School, or the successor high school educatino marion, Kansas students who intend to conintue their education with post-high school studies. Preference shall be given to those high school seniors intending to pursue post-high school studies in the area of law enforcement or teaching. No contributions were made during the year ended June 30, 2023.

12. RISK MANAGEMENT

The school district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The school district has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the school district joined together with other school districts in the State to participate in Workers Compensation Fund, Inc. (a subsidiary of the Kansas Association of School Boards), a public entity risk pool currently operating as a common risk management and insurance program for 116 participating members. The school district pays an annual premium to Workers Compensation Fund, Inc. (a subsidiary of the Kansas Association of School Boards) for its workers compensation insurance coverage. The agreement to participate provides that the Workers Compensation Fund, Inc. (a subsidiary of the Kansas Association of School Boards) will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $600,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Workers Compensation Fund, Inc. (a subsidiary of the Kansas Association of School Boards) management. The school district continues to carry commercial insurance for all other risks of loss, including property/casualty, health, and vehicle insurances. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The school district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The school district has been unable to obtain health insurance at a cost it considered to be economically justifiable. For this reason, the school district joined together with other school districts in the State to participate in the ESSDACK Health Insurance Group, a public entity risk pool currently operating as a common risk management and insurance program for 46 participating members. The school district pays an annual premium to ESSDACK Health Insurance Group for its health insurance coverage. The agreement to participate provides that the ESSDACK Health Insurance Group will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of either: Individual Claimants Annual Expenses exceeding $175,000 or Annual Claims that exceed $41,156,009 (inclusive of Max Claims and Fixed Costs). Additional premiums may be due if total claims for the pool are different than what has been anticipated by ESSDACK Health Insurance Group management. The school district continues to carry commercial insurance for all other risks of loss, including (property, casualty, workers compensation, etc.). Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

13. ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) FUNDING

The CARES Act also included Elementary and Secondary School Emergency Relief (ESSER) Funds for K-12 schools. The ESSER grants will provide school districts with emergency relief funds to address the impact COVID-19 has had on elementary and secondary schools. It is being allocated to the Districts in three phases, ESSER I, II, and III. The ESSER I under the Cares Act began in March 2020, the ESSER II under the CRRSA Act began in December 2020, and the ESSER III under the ARP Act began in March 2021. The District was allocated $67,468 for ESSER I, $269,918 for ESSER II, and $606,198 for ESSER III. As of June 30, 2023 the District spent all of ESSER I, all of ESSER II, and all of ESSER III.

14. SUBSEQUENT EVENTS

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

UNIFIED SCHOOL DISTRICT NUMBER 408
MARION, KANSAS

REGULATORY-REQUIRED
SUPPLEMENTAL INFORMATION

FISCAL YEAR ENDED JUNE 30, 2023

SCHEDULE 1

Unified School District Number 408
Marion, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended June 30, 2023

	Certified Budget	Adjustments 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 Fund	$ 5,134,931	$ (185,312)	$ -	$ 4,949,619	$ 4,949,619	$ -
Supplemental General Fund	1,594,649	(51,998)	-	1,542,651	1,542,651	-
SPECIAL PURPOSE FUNDS:						
At Risk (4 Yr Old) Fund	100,000	-	-	100,000	68,377	(31,623)
At Risk (K-12) Fund	709,336	-	-	709,336	709,336	-
Virtual Education Fund	49,054	-	-	49,054	32,370	(16,684)
Capital Outlay Fund	633,721	-	-	633,721	342,627	(291,094)
Driver Training Fund	24,654	-	-	24,654	5,098	(19,556)
Food Service Fund	457,785	-	-	457,785	422,008	(35,777)
Professional Development Fund	12,512	-	-	12,512	4,260	(8,252)
Special Education Fund	1,363,311	-	-	1,363,311	1,272,193	(91,118)
Career and Postsecondary Education Fund	135,189	-	-	135,189	148,535	13,346
KPERS Special Retirement Contribution Fund	591,837	-	-	591,837	532,351	(59,486)
BOND AND INTEREST FUND:						
Bond and Interest Fund	899,150	-	-	899,150	890,150	(9,000)
Total	$ 11,706,129	$ (237,310)	$ -	$ 11,468,819	$ 10,919,575	$ (549,244)

Unified School District Number 408
Marion, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 3,852,127	$ 4,196,030	$ 4,306,584	$ (110,554)
Mineral production tax	557	633	-	633
Special education aid	668,082	752,956	828,347	(75,391)
Miscellaneous reimbursements	267	-	-	-
Total Receipts	4,521,033	4,949,619	$ 5,134,931	$ (185,312)
Expenditures:				
Instruction -				
Certified salaries	1,252,193	1,036,385	$ 1,268,926	$ (232,541)
Non-certified salaries	118,520	77,574	118,725	(41,151)
Insurance	2,032	52,733	1,500	51,233
Social Security	229,262	232,365	232,000	365
Other benefits	25,167	29,226	26,000	3,226
Purchased professional services	25,294	58,596	27,000	31,596
Supplies	17,389	51,934	12,000	39,934
Other	48,491	79,661	60,000	19,661
Student Support Services -				
Certified salaries	78,588	5,316	85,000	(79,684)
Non-certified salaries	34,314	30,768	35,000	(4,232)
Insurance	-	-	9,500	(9,500)
Social Security	9,197	3,307	-	3,307
Purchased professional services	4,522	(5,927)	5,000	(10,927)
Instruction Support Staff -				
Certified salaries	109,004	69,002	110,000	(40,998)
Non-certified salaries	5,000	48,097	6,000	42,097
Insurance	-	5,000	28,000	(23,000)
Social Security	27,331	26,043	-	26,043
Books and periodicals	96	1,476	6,000	(4,524)
General Administration -				
Certified salaries	188,989	80,000	195,000	(115,000)
Insurance	13,078	20,097	13,000	7,097
Purchased professional services	69,727	45,226	65,000	(19,774)
Insurance	2,000	6,000	6,000	-
Communications	57,016	67,769	60,000	7,769
Supplies	9,882	19,424	10,000	9,424
Property, equipment and furniture	7,324	110	8,000	(7,890)

Unified School District Number 408
Marion, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
General Administration -				
Other	$ 2,734	$ 3,147	$ 3,500	$ (353)
School Administration -				
Certified salaries	311,831	303,858	313,000	(9,142)
Non-certified salaries	115,402	123,419	116,000	7,419
Insurance	48,266	50,084	50,000	84
Social Security	5,000	5,000	-	5,000
Other purchased services	1,115	6,375	2,000	4,375
Supplies	57,933	8,522	20,000	(11,478)
Operations and Maintenance -				
Non-certified salaries	46,974	183,529	291,000	(107,471)
Insurance	68,000	93,142	66,000	27,142
Purchased professional services	10,774	5,403	11,000	(5,597)
Water/sewer	20,486	23,022	21,000	2,022
Other purchased property services	5,502	5,766	5,600	166
Insurance	6,000	6,000	6,000	-
Student Transportation Services - Supervision				
Other	2,883	2,277	2,000	277
Vehicle Operating Services -				
Non-certified salaries	57,964	69,505	59,000	10,505
Insurance	452	-	20,000	(20,000)
Social Security	26,280	30,660	-	30,660
Other employee benefits	1,366	2,000	-	2,000
Insurance	5,615	6,237	6,000	237
Motor fuel	41,955	52,675	50,000	2,675
Property and equipment	1,000	323	1,000	(677)
Other	11,507	6,513	11,500	(4,987)
Vehicle & Maintenance Services -				
Purchased property services	11,236	16,885	10,000	6,885
Community Service Operations -	49,356	54,071	53,000	1,071
Other Supplemental Services -				
Non-certified salaries	30,182	105,469	65,000	40,469
Insurance	20,000	20,000	20,000	-
Social Security	18,928	20,055	19,000	1,055

Unified School District Number 408
Marion, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Outgoing Transfers -				
At Risk (4 Yr Old) Fund	$ 70,188	$ 58,277	$ -	$ 58,277
At Risk (K-12) Fund	398,598	551,475	551,475	-
Virtual Education Fund	23,740	32,370	49,054	(16,684)
Food Service Fund	148	21	150	(129)
Special Education Fund	715,202	864,458	830,001	34,457
Career and Postsecondary Education Fund	-	68,899	25,000	43,899
Contigency Reserve	-	130,000	-	130,000
Adjustment to comply with legal max	-	-	(185,312)	185,312
Total Expenditures	4,521,033	4,949,619	$ 4,949,619	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 726,606	$ 823,309	$ 856,598	$ (33,289)
Delinquent tax	10,012	8,866	10,078	(1,212)
Motor vehicle tax	71,636	70,014	69,948	66
Recreational vehicle tax	2,830	3,110	1,574	1,536
State aid	647,491	663,031	685,380	(22,349)
Total Receipts	1,458,575	1,568,330	$ 1,623,578	$ (55,248)
Expenditures:				
Instruction -				
Certified salaries	464,339	586,734	$ 520,707	$ 66,027
Social Security	-	-	4,000	(4,000)
Property and equipment	7,737	16,444	7,000	9,444
Operations and Maintenance -				
Repair of buildings	-	40,000	30,000	10,000
Insurance	55,593	80,560	50,000	30,560
Supplies	288,380	33,783	40,000	(6,217)
Heating	45,517	45,521	46,000	(479)
Electricity	181,099	164,407	130,000	34,407
Property and equipment	-	-	1,000	(1,000)
Outgoing Transfers -				
At Risk (4 year old) Fund	1,000	-	30,000	(30,000)
At Risk (K-12) Fund	124,284	157,861	156,850	1,011
Special Education Fund	121,125	342,494	479,092	(136,598)
Career and Postsecondary Education Func	118,104	74,847	100,000	(25,153)
Adjustment to comply with legal max	-	-	(51,998)	51,998
Total Expenditures	1,407,178	1,542,651	$ 1,542,651	$ -
Receipts Over (Under) Expenditures	51,397	25,679		
Unencumbered Cash, Beginning	45,285	96,682		
Unencumbered Cash, Ending	$ 96,682	$ 122,361		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

AT RISK (4 YR OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Other miscellaneous revenue	$ 8,810	$ 8,100	$ -	$ 8,100
Transfer from General Fund	70,188	58,277	70,000	(11,723)
Transfer from Supplemental General	1,000	-	30,000	(30,000)
Total Receipts	79,998	66,377	$ 100,000	$ (33,623)
Expenditures:				
Instruction -				
Certified salaries	61,441	64,028	$ 62,000	$ 2,028
Non-certified salaries	9,725	-	10,000	(10,000)
Social Security	8,832	4,349	8,000	(3,651)
Supplies	-	-	20,000	(20,000)
Total Expenditures	79,998	68,377	$ 100,000	$ (31,623)
Receipts Over (Under) Expenditures	-	(2,000)		
Unencumbered Cash, Beginning	2,000	2,000		
Unencumbered Cash, Ending	$ 2,000	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

AT RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 398,598	$ 551,475	$ 551,475	$ -
Transfer from Supplemental General	124,284	157,861	156,850	1,011
Total Receipts	522,882	709,336	$ 708,325	$ 1,011
Expenditures:				
Instruction -				
Certified salaries	522,882	709,336	$ 709,336	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 23,740	$ 32,370	$ 49,054	$ (16,684)
Expenditures:				
Instruction -				
Purchased professional services	23,740	32,370	$ 49,054	$ (16,684)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 359,773	$ 368,364	$ 339,431	$ 28,933
Delinquent tax	2,537	3,014	5,057	(2,043)
Motor vehicle tax	32,731	32,541	32,137	404
Recreational vehicle tax	1,288	1,473	737	736
Commercial vehicle tax	-	-	585	(585)
Interest on idle funds	7,586	33,155	-	33,155
State aid	125,118	101,763	102,263	(500)
Miscelaneous	-	41,251	-	41,251
Total Receipts	529,033	581,561	$ 480,210	$ 101,351
Expenditures:				
Instruction -				
Non-certified salaries	100,000	-	$ -	$ -
Property and equipment	196,747	200,318	273,721	(73,403)
Support Services -				
Non-certified salaries	200,000	51,768	-	51,768
Operations and Maintenance -				
Property and equipment	-	56,722	200,000	(143,278)
Repair of Buildings	-	-	70,000	(70,000)
Other Support Services -				
Property and equipment	72,831	-	90,000	(90,000)
General Administration -				
Property and equipment	-	33,819	-	33,819
Total Expenditures	569,578	342,627	$ 633,721	$ (291,094)
Receipts Over (Under) Expenditures	(40,545)	238,934		
Unencumbered Cash, Beginning	194,056	153,511		
Unencumbered Cash, Ending	$ 153,511	$ 392,445		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 3,416	$ 3,770	$ 5,400	$ (1,630)
Other local source revenue	2,650	4,250	-	4,250
Total Receipts	6,066	8,020	$ 5,400	$ 2,620
Expenditures:				
Instruction -				
Certified salaries	6,654	4,723	$ 18,000	$ (13,277)
Social Security	516	366	1,000	(634)
Supplies	40	9	5,654	(5,645)
Total Expenditures	7,210	5,098	$ 24,654	$ (19,556)
Receipts Over (Under) Expenditures	(1,144)	2,922		
Unencumbered Cash, Beginning	20,398	19,254		
Unencumbered Cash, Ending	$ 19,254	$ 22,176		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Student sales	$ -	$ 96,715	$ 76,040	$ 20,675
Adult sales	22,558	23,287	7,050	16,237
Other revenue	486	2,628	-	2,628
State aid	2,761	3,073	2,472	601
Federal aid	371,593	258,232	188,536	69,696
Transfer from General Fund	148	21	150	(129)
Total Receipts	397,546	383,956	$ 291,098	$ 92,858
Expenditures:				
Food Service Operation -				
Non-certified salaries	15,835	16,476	$ 17,000	$ (524)
Insurance	3,205	3,392	3,300	92
Food and milk	256,691	338,094	311,485	26,609
Supplies	189	1,000	1,000	-
Property and equipment	33,493	40,492	110,000	(69,508)
Other	14,496	22,554	15,000	7,554
Total Expenditures	323,909	422,008	$ 457,785	$ (35,777)
Receipts Over (Under) Expenditures	73,637	(38,052)		
Unencumbered Cash, Beginning	93,050	166,687		
Unencumbered Cash, Ending	$ 166,687	$ 128,635		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ -	$ 3,675	$ 1,200	$ 2,475
Other Revenue from Local Source	-	-	10,000	(10,000)
Total Receipts	-	3,675	$ 11,200	$ (7,525)
Expenditures:				
Instructional Support Staff -				
Certified salaries	-	3,675	$ 12,512	$ (8,837)
Other	-	585	-	585
Total Expenditures	-	4,260	$ 12,512	$ (8,252)
Receipts Over (Under) Expenditures	-	(585)		
Unencumbered Cash, Beginning	1,312	1,312		
Unencumbered Cash, Ending	$ 1,312	$ 727		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 715,202	$ 864,458	$ 830,001	$ 34,457
Transfer from Supplemental General Fund	121,125	342,494	479,092	(136,598)
Total Receipts	836,327	1,206,861	$ 1,309,093	$ (102,232)
Expenditures:				
Instruction -				
Payment to Special Education Coop	475,196	556,644	$ 556,644	$ -
Payment to Sp. Ed Coop (Flowthrough)	649,897	714,833	806,667	(91,834)
Operations and Maintenance -				
Contract bus services	118	194	-	194
Vehicle Service and Maintenance -				
Vehicle Expense	-	522	-	522
Total Expenditures	1,125,211	1,272,193	$ 1,363,311	$ (91,118)
Receipts Over (Under) Expenditures	(288,884)	(65,332)		
Unencumbered Cash, Beginning	354,216	65,332		
Unencumbered Cash, Ending	$ 65,332	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ -	$ 68,899	$ 25,000	$ 43,899
Transfer from Supplemental General Fund	118,104	74,847	100,000	(25,153)
Total Receipts	118,104	143,746	$ 130,400	$ 13,346
Expenditures:				
Instruction -				
Certified salaries	99,229	102,093	$ 108,490	$ (6,397)
Social Security	6,504	6,919	6,699	220
Supplies	18,234	33,478	20,000	13,478
Total Expenditures	123,967	148,535	$ 135,189	$ 13,346
Receipts Over (Under) Expenditures	(5,863)	(4,789)		
Unencumbered Cash, Beginning	10,425	4,789		
Prior Year Cancelled Encumbrances	227	-		
Unencumbered Cash, Ending	$ 4,789	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 547,997	$ 532,351	$ 591,837	$ (59,486)
Expenditures:				
Employee Benefits -				
Instruction	356,198	346,026	$ 381,837	$ (35,811)
Student Support Services	10,960	10,647	15,000	(4,353)
Instruction Support Staff	27,400	26,618	30,000	(3,382)
General Administration	27,400	26,618	30,000	(3,382)
School Administration	43,840	42,588	45,000	(2,412)
Operations and Maintenance	38,360	37,265	40,000	(2,735)
Student Transportation Services	27,400	26,618	30,000	(3,382)
Food Service Operation	16,439	15,971	20,000	(4,029)
Total Expenditures	547,997	532,351	$ 591,837	$ (59,486)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Transfer from General Fund	$ -	$ 130,000
Expenditures:		
Purchased professional services	-	138,844
Receipts Over (Under) Expenditures	-	(8,844)
Unencumbered Cash, Beginning	121,971	138,864
Prior Year Cancelled Encumbrances	16,893	-
Unencumbered Cash, Ending	$ 138,864	$ 130,020

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

TEXTBOOK/STUDENT MATERIAL REVOLVING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Student fees and materials	$ 29,473	$ 31,458
Expenditures:		
Instruction -		
Textbooks	7,559	62,088
Supplies	9,115	9,090
Miscellaneous	4,204	-
Total Expenditures	20,878	71,178
Receipts Over (Under) Expenditures	8,595	(39,720)
Unencumbered Cash, Beginning	61,630	70,225
Unencumbered Cash, Ending	$ 70,225	$ 30,505

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Federal grant	$ 109,610	$ 100,961
Expenditures:		
Instruction -		
Certified salaries	77,699	74,112
Non-certified salaries	13,054	14,158
Social Security	10,199	11,180
Other	-	1,511
Total Expenditures	100,952	100,961
Receipts Over (Under) Expenditures	8,658	-
Unencumbered Cash, Beginning	(8,658)	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

GRANTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Grants	$ 24,310	$ 107,606
Interest on idle funds	35,370	25,766
Total Receipts	59,680	133,372
Expenditures:		
Instruction -		
Miscellaneous	59,681	121,708
Receipts Over (Under) Expenditures	(1)	11,664
Unencumbered Cash, Beginning	22,326	22,325
Unencumbered Cash, Ending	$ 22,325	$ 33,989

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

ESSER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Federal aid	$ 271,301	$ 366,244
Expenditures:		
Teacher Salary	157,418	543,679
Supplies	255,822	(78,993)
Total Expenditures	413,240	464,686
Receipts Over (Under) Expenditures	(141,939)	(98,442)
Unencumbered Cash, Beginning	-	(141,939)
Unencumbered Cash, Ending	$ (141,939)	$ (240,381)

Unified School District Number 408
Marion, Kansas

SPECIAL PURPOSE FUND

RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Fees	$ 10,667	$ 100
Sponsorships	14,330	1,350
Total Receipts:	24,997	1,450
Expenditures:		
Certified salaries	9,870	(530)
Supplies	2,962	9,955
Total Expenditures:	12,832	9,425
Receipts Over (Under) Expenditures	12,165	(7,975)
Unencumbered Cash, Beginning	1,285	13,450
Unencumbered Cash, Ending	$ 13,450	$ 5,475

Unified School District Number 408
Marion, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 358,633	$ 260,728	$ 237,582	$ 23,146
Delinquent tax	5,235	4,363	5,056	(693)
Motor vehicle tax	24,132	29,905	29,590	315
Recreational vehicle tax	6,927	1,186	678	508
Commercial vehicle tax	-	-	538	(538)
State aid	237,541	241,151	188,771	52,380
Other local source revenue	100,000	150,000	100,000	50,000
Total Receipts	732,468	687,333	$ 562,215	$ 125,118
Expenditures:				
Interest	55,650	30,150	$ 39,150	$ (9,000)
Principal	840,000	860,000	860,000	-
Total Expenditures	895,650	890,150	$ 899,150	$ (9,000)
Receipts Over (Under) Expenditures	(163,182)	(202,817)		
Unencumbered Cash, Beginning	952,851	789,669		
Unencumbered Cash, Ending	$ 789,669	$ 586,852		

Unified School District Number 408
Marion, Kansas

TRUST FUND

PIPPIN SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Interest on idle funds	$ 527	$ 528
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	27	28
Unencumbered Cash, Beginning	21,529	21,556
Unencumbered Cash, Ending	$ 21,556	$ 21,584

Unified School District Number 408
Marion, Kansas

TRUST FUND

DARROW SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Interest on idle funds	$ 176	$ 169
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	(324)	(331)
Unencumbered Cash, Beginning	7,520	7,196
Unencumbered Cash, Ending	$ 7,196	$ 6,865

Unified School District Number 408
Marion, Kansas

TRUST FUND

HETT SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Interest on idle funds	$ 404	$ 402
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	(96)	(98)
Unencumbered Cash, Beginning	16,611	16,515
Unencumbered Cash, Ending	$ 16,515	$ 16,417

Unified School District Number 408
Marion, Kansas

TRUST FUND

MHS ALUMNI SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Interest on idle funds	$ 168	$ 161
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	(332)	(339)
Unencumbered Cash, Beginning	7,193	6,861
Unencumbered Cash, Ending	$ 6,861	$ 6,522

Unified School District Number 408
Marion, Kansas

TRUST FUND

MHS COACHES SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Interest on idle funds	$ 317	$ 128
Expenditures:		
Scholarships awarded	2,500	12,909
Receipts Over (Under) Expenditures	(2,183)	(12,781)
Unencumbered Cash, Beginning	14,964	12,781
Unencumbered Cash, Ending	$ 12,781	$ -

Unified School District Number 408
Marion, Kansas

TRUST FUND

FRUECHTING MEMORIAL SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Interest on idle funds	$ 1,250	$ 1,235
Expenditures:		
Outgoing Transfers - Scholarships awarded	2,000	2,000
Receipts Over (Under) Expenditures	(750)	(765)
Unencumbered Cash, Beginning	51,873	51,123
Unencumbered Cash, Ending	$ 51,123	$ 50,358

Unified School District Number 408
Marion, Kansas

TRUST FUND

NAVRAT SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Interest on idle funds	$ 5,879	$ 5,941
Expenditures:		
Scholarships awarded	4,000	4,000
Receipts Over (Under) Expenditures	1,879	1,941
Unencumbered Cash, Beginning	238,945	240,824
Unencumbered Cash, Ending	$ 240,824	$ 242,765

Unified School District Number 408
Marion, Kansas

TRUST FUND

WRESTLING SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Donations	$ -	$ 250
Interest on idle funds	7	10
Total Receipts	7	260
Expenditures:		
Scholarships awarded	-	-
Receipts Over (Under) Expenditures	7	260
Unencumbered Cash, Beginning	281	288
Unencumbered Cash, Ending	$ 288	$ 548

Unified School District Number 408
Marion, Kansas

TRUST FUND

JEFF HARRIS SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Donations	$ 2,500	$ -
Interest on idle funds	61	86
Total Receipts	2,561	86
Expenditures:		
Scholarships awarded	500	500
Receipts Over (Under) Expenditures	2,061	(414)
Unencumbered Cash, Beginning	1,825	3,886
Unencumbered Cash, Ending	$ 3,886	$ 3,472

Unified School District Number 408
Marion, Kansas

TRUST FUND

CRAFT MEMORIAL SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	2022 Actual	2023 Actual
Receipts:		
Donations	$ 2,360	$ -
Interest on idle funds	9	48
Total Receipts	2,369	48
Expenditures:		
Scholarships awarded	-	500
Receipts Over (Under) Expenditures	2,369	(452)
Unencumbered Cash, Beginning	-	2,369
Unencumbered Cash, Ending	$ 2,369	$ 1,917

Unified School District Number 408
Marion, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2023

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations:				
High School:				
Freshman	$ 30	$ 500	$ 30	$ 500
Sophomore	1,180	160	1,180	160
Junior	1,111	5,126	5,248	989
Senior	248	2,072	2,161	159
Business Class	2	-	-	2
Cheerleading	2,581	3,725	2,429	3,877
Dance	492	-	-	492
Drama	59	-	59	-
English Trip	-			-
FCCLA	1,339	1,005	897	1,447
FBLA	932	515	693	754
FEA	-			-
Forensics	97	59	(35)	191
Future Farmers of America	5,778	13,775	13,680	5,873
FFA Garden	871	-	29	842
NHS	1,051	-	524	527
Band	534	9,271	6,300	3,505
Past Class	3,844	1,740	2,586	2,998
Student Council	2,542	3,157	3,156	2,543
Vocal music	1,358	6,896	6,952	1,302
Weightlifting	838	9,339	8,714	1,463
MAYB	-			-
Art Club	276	586	443	419
Key Club	1,849	2,916	1,561	3,204
Coffee Shop	975	-	-	975
Safe Team	25	-	-	25
HOSA	-	4,820	3,803	1,017
FCA	-	2,025	806	1,219
Spanish Club	-	250	156	94
Subtotal High School	28,012	67,937	61,372	34,577
Middle School:				
Student Council	1,145	123	371	897
Eighth grade trip	8,798	15,040	18,035	5,803
Subtotal Middle School	9,943	15,163	18,406	6,700
Total Student Organization Funds	37,955	83,100	79,778	41,277
Sales tax	-	5,462	5,462	-
Total Agency Funds	$ 37,955	$ 88,562	$ 85,240	$ 41,277

Unified School District Number 408
Marion, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2023

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts:						
High School Athletics	$ 813	$ 114,389	$ 105,899	$ 9,303	$ -	$ 9,303
Middle School Athletics	1,246	12,132	11,603	1,775	-	1,775
Total District Activity Funds	$ 2,059	$ 126,521	$ 117,502	$ 11,078	$ -	$ 11,078

SINGLE AUDIT SECTION

LOYD GROUP, LLC

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

Board of Education
Unified School District 408
Marion, KS 66861

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statement of Unified School District Number 408, Kansas, (District) as of and for the year ended June 30, 2023, and the related notes to the financial statement which collectively comprise the District's basic financial statement, and have issued our report thereon dated August 31, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
August 31, 2023

LOYD GROUP, LLC

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

Board of Education
Unified School District 408
Marion, KS 66861

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District Number 408's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and

therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control Over Compliance

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

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

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

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.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
August 31, 2023

Unified School District Number 408
Marion, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing	Grant Number	Disbursements/ Expenditures
U.S. Department of Education			
Passed Through State Department of Education			
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	DO408	$ 464,686
Title I Grants to Local Educational Agencies	84.010	DO408	75,403
Supporting Effective Instruction State Grants	84.367	DO408	11,612
Student Support an Academic Enrichment Program	84.424	DO408	13,946
Career and Technical Education	84.048	DO408	1,950
TOTAL U.S. DEPARTMENT OF EDUCATION			567,597
U.S. Department of Health and Human Services			
Passed Through State Department of Education			
COVID-19 ELC Grant	93.323	DO408	4,144
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			4,144
U.S. Department of Agriculture			
Passed Through State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	DO408	44,892
National School Lunch Program	10.555	DO408	179,617
Summer Food Service Program for Children	10.559	DO408	17,771
Total Child Nutrition Cluster			242,280
Fresh Fruit and Vegetable	10.582	DO408	15,952
TOTAL U.S. DEPARTMENT OF AGRICULTURE			258,232
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			$ 829,973

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Unified School District Number 408, Marion Kansas (the District), under programs of the federal government for the year ended June 30, 2023. The information in the 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 the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using a regulatory basis of accounting prescribed by the Kansas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT.)

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) The District has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 - Funds Expended

Funds where Federal expenditures were receipted and expended:

Food Service Fund	$	258,232
General Fund		6,094
Title I Fund		100,961
Elementary and Secondary School Emergency Relief Fund		464,686
Total	$	829,973

Unified School District Number 408
Marion, Kansas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

Section 1 – Summary of Auditor's Results

Financial Statements

1. Type of auditor's opinion issued on whether the financial statement audited were prepared in accordance with GAAP:	Adverse
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	No
3. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	No
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of major programs:	

Name of Federal Program or Cluster	CFDA Number
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D

5. Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	No

Section 2 – Findings – Financial Statement Audit

No matters were reported.

Section 3 – Findings and Questioned Costs – Major Federal Award Programs

No matters were reported.