

**Unified School District No. 469
Lansing, Kansas**

**Financial Statement
As of June 30, 2022
and For the Year Then Ended**

With Report by Independent Auditor

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Lansing Unified School District No. 469

Adverse and Unmodified Opinions

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of Lansing Unified School District No. 469 (the District), as of and for the year ended June 30, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of my 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, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In my 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, 2022, 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* (KMAAG) described in Note 1.

Basis for Adverse and Unmodified Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the KMAAG. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am required to be independent of the District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the KMAAG 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

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

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

- 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 my 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.

I am 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 I identified during the audit.



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Other Matters

Supplementary Information

My 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 schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulation* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated January 27, 2023 on my consideration of the District's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 the District's internal control over financial reporting and compliance.

Shipley CPA, LLC

Shipley CPA, LLC
Topeka, Kansas
January 27, 2023

Unified School District No. 469
Lansing, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Statement 1

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General	\$ -	\$ 17,955,562	\$ 17,955,562	\$ -	\$ 963,507	\$ 963,507
Supplemental General	351,833	5,868,530	5,870,601	349,762	-	349,762
Special Purpose Funds:						
Gifts and Grants	4,003	27,845	23,268	8,580	-	8,580
At Risk (4 year olds)	-	125,178	125,178	-	-	-
At Risk (K-12)	-	1,941,798	1,938,798	3,000	-	3,000
Bilingual	150	81,695	81,675	170	-	170
Virtual	-	136,500	121,333	15,167	-	15,167
Drivers Education	923	13,890	13,186	1,627	-	1,627
Food Service	161,855	1,768,570	1,361,640	568,785	-	568,785
Professional Development	1,723	34,900	36,622	1	-	1
Parents as Teachers	13,348	129,675	125,754	17,269	-	17,269
Special Education	40,517	6,491,428	6,531,945	-	-	-
Cost of Living	-	236,467	62,942	173,525	-	173,525
Vocational Education	-	414,759	414,759	-	-	-
Title I	-	214,390	214,390	-	-	-
Title IIA	-	43,444	43,444	-	-	-
Title IV	-	21,003	21,003	-	-	-
ESSER	59,615	350,000	743,715	(334,100)	334,100	-
KPERS	-	2,664,570	2,664,570	-	-	-
Contingency Reserve	97,076	69,231	166,230	77	166,230	166,307
Textbook Rental	-	76	76	-	-	-
Grants	-	28,663	172,618	(143,955)	152,700	8,745
Special Assessment	171,242	168,917	171,277	168,882	-	168,882
Daycare	-	453,476	453,476	-	-	-
Capital Outlay	476,330	2,338,649	2,539,417	275,562	121,635	397,197
District Activity	201,528	809,474	842,992	168,010	-	168,010
Bond and Interest Fund	76,380,958	5,489,533	5,098,256	76,772,235	-	76,772,235
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 77,961,101</u>	<u>\$ 47,878,223</u>	<u>\$ 47,794,727</u>	<u>\$ 78,044,597</u>	<u>\$ 1,738,172</u>	<u>\$ 79,782,769</u>

Composition of Cash:

Checking accounts	\$ 7,682,480
Bond escrow account	72,418,849
Municipal Investment Pool	11,225
Total Cash	<u>80,112,554</u>
Less Agency Funds per Schedule 3	<u>(329,785)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 79,782,769</u>

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

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Financial Statements
For the Year Ended June 30, 2022**

1. Summary of Significant Accounting Policies

Reporting Entity

Unified School District No. 469 Lansing, Kansas (the District) is a municipal corporation governed by an elected seven-member board organized under the laws of the State of Kansas to provide a system of education to elementary and high school students who reside within the designated district area. This financial statement includes all of the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

Fund Accounting

The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds were utilized in recording the financial activities of the District for the year ended June 30, 2022.

Regulatory Basis Fund Types

General fund and Supplemental General fund – used to account for the general operations of the District and are used to account for all resources except those required to be accounted for in other funds.

Special Purpose fund – 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.

Agency fund – used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

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.

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Financial Statements
For the Year Ended June 30, 2022**

2. Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the 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 a notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such budget amendments for this 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 for individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

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

Contingency Reserve, Textbook Rental, Grants, Daycare, District Activity

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

K.S.A. 79-2935 states that expenditures, including encumbrances, in any lawfully budgeted fund shall not exceed the adopted budget of expenditures plus any reimbursements (budget credits) of current year expenditures for such fund for that budget year. The Supplemental General, the Gifts and Grants, the Food Service, the Professional Development and the Federal funds exceeded the adopted budget which appears to be a violation of this statute.

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Financial Statements
For the Year Ended June 30, 2022**

3. Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

4. 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.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not have a peak period pledge agreement during the year ended June 30, 2022, and therefore the District did not designate peak periods. All deposits were legally secured at June 30, 2022.

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.

At June 30, 2022 the District's carrying amount of deposits was \$7,682,480 and the bank balance was \$7,583,443. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance and the remainder was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name.

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Financial Statements
For the Year Ended June 30, 2022**

5. In-Substance Receipt in Transit

The District received \$875,538 subsequent to June 30, 2022, and, as required by K.S.A. 72-5135 and 72-5145, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

6. Long-Term Debt

On August 27, 2019, the District issued \$75,280,000 in general obligation taxable refunding bonds – Series 2019 with a variable interest rate of 1.831-2.870% to refund Series 2012 general obligation refunding bonds through a crossover refunding. The bonds mature on September 1, 2038 and will be subject to optional redemption for bonds maturing on September 1, 2028-2035 and mandatory redemption for the 2038 term bonds at the redemption price plus accrued interest. The crossover date for the Series 2012 refunded bonds in the amount of \$71,780,000 is September 1, 2022. At this point, the principal and interest held in escrow will pay off the Series 2012 refunding bonds subject to the Series 2019 bond refunding.

The District has two agreements to pay Leavenworth County, Kansas, through special assessment taxes levied, for the District's portion of the DeSoto Road/147th Street Improvement District and for public street improvements consisting of the extension of Bittersweet Street from Mary Street to the north side of 7-Mile Creek in the City of Lansing, Kansas for the purpose of constructing an elementary school. The costs are to be paid from the Special Assessment fund.

During 2021, the District entered into a lease purchase agreement with Apple for iPads and cases to be paid over four years. Total amount of lease purchase is \$342,660 with payoff on June 18, 2024.

Long-term liabilities for the District for the year ended June 30, 2022, were as follows:

	Amount of Issue	Interest Rates	Date of Issue	Date of Final Maturity
General Obligation Bonds				
Series 2011	\$ 8,340,000	3.00%	3/1/2012	9/1/2023
Series 2012 Refunding	78,720,000	3.00-4.00%	3/1/2012	9/1/2027
Series 2016	7,150,000	3.00-4.00%	3/1/2017	9/1/2026
Series 2019 Refunding	75,280,000	1.831-2.87%	9/24/2019	9/1/2038

Unified School District No. 469
Lansing, Kansas

Notes to the Financial Statements
For the Year Ended June 30, 2022

6. Long-Term Debt (continued)

Changes in long-term liabilities for the District for the year ended June 30, 2022, were as follows:

	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2011	\$ 6,215,000	\$ -	\$ 1,945,000	\$ 4,270,000	\$ 157,275
Series 2012 Refunding	1,220,000	-	-	1,220,000	36,600
Series 2012 Refunding - Crossover portion	71,780,000	-	-	71,780,000	2,695,632
Series 2016	7,150,000	-	-	7,150,000	263,750
Series 2019 Refunding	75,280,000	-	-	75,280,000	-
	<u>161,645,000</u>	<u>-</u>	<u>1,945,000</u>	<u>159,700,000</u>	<u>3,153,257</u>
Other					
147th Street Improvement District	903,763	-	91,185	812,578	-
Bittersweet Street	80,092	-	80,092	-	-
Apple Lease Purchase	342,640	-	85,660	256,980	-
	<u>1,326,495</u>	<u>-</u>	<u>256,937</u>	<u>1,069,558</u>	<u>-</u>
Total Long Term Debt	<u>\$ 162,971,495</u>	<u>\$ -</u>	<u>\$ 2,201,937</u>	<u>\$ 160,769,558</u>	<u>\$ 3,153,257</u>

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

	Principal	Interest	
	General	General	
Year	Obligation Bonds	Obligation Bonds	Other
2023	\$ 74,360,000	\$ 2,320,888	\$ 177,045
2024	5,060,000	2,249,535	176,545
2025	3,070,000	2,168,765	176,144
2026	3,390,000	2,070,510	90,734
2027	4,590,000	1,950,216	88,990
2028-2032	25,475,000	8,188,199	360,100
2033-2037	35,270,000	4,712,505	-
2038-2042	8,485,000	479,721	-
Total	<u>\$ 159,700,000</u>	<u>\$ 24,140,339</u>	<u>\$ 1,069,558</u>

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Financial Statements
For the Year Ended June 30, 2022**

7. Interfund Transactions

Operating transfers during the fiscal year ended June 30, 2022 were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk (4 year olds)	K.S.A. 72-5167	\$ 125,178
General Fund	At Risk (K-12)	K.S.A. 72-5167	1,527,745
General Fund	Bilingual	K.S.A. 72-5167	71,926
General Fund	Virtual	K.S.A. 72-5167	136,500
General Fund	Vocational Education	K.S.A. 72-5167	400,464
General Fund	Special Education	K.S.A. 72-5167	3,533,036
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	414,053
Supplemental General	Bilingual	K.S.A. 72-5143	9,769
Supplemental General	Professional Development	K.S.A. 72-5143	34,900
Supplemental General	Parents as Teachers	K.S.A. 72-5143	43,225
Supplemental General	Special Education	K.S.A. 72-5143	1,757,815

8. Compensated Absences

Under the terms of the District's personnel policy, District employees are granted annual personal and sick leave in varying amounts depending on whether the employee is hourly or contracted.

9. Other Post Employment Benefits

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

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, 2022.

10. Defined Benefit Pension Plan

General Information about the 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.

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Financial Statements
For the Year Ended June 30, 2022**

10. Defined Benefit Pension Plan (continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate 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 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33% for the fiscal year ended June 30, 2022.

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$2,598,179 for the year ended June 30, 2022.

Net Pension Liability

At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was \$20,751,915. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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, 2020. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Financial Statements
For the Year Ended June 30, 2022**

10. Defined Benefit Pension Plan (continued)

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

11. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

12. Subsequent Events

The District has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report, the date the financial statement was available for issue.

Regulatory Required Supplementary Information

**Unified School District No. 469
Lansing, Kansas
Summary of Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

Schedule 1

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
General Funds:						
General	\$ 18,611,319	\$ (681,459)	\$ 30,741	\$ 17,960,601	\$ 17,955,562	\$ (5,039)
Supplemental General	6,105,762	(238,157)	-	5,867,605	5,870,601	2,996
Special Revenue Funds:						
Gifts and Grants	-	-	-	-	23,268	23,268
At Risk (4 year olds)	172,500	-	-	172,500	125,178	(47,322)
At Risk (K-12)	1,938,798	-	-	1,938,798	1,938,798	-
Bilingual	99,919	-	-	99,919	81,675	(18,244)
Virtual	305,417	-	-	305,417	121,333	(184,084)
Drivers Education	19,923	-	-	19,923	13,186	(6,737)
Food Service	1,109,762	-	-	1,109,762	1,361,640	251,878
Professional Development	26,722	-	-	26,722	36,622	9,900
Parents as Teachers	150,348	-	-	150,348	125,754	(24,594)
Special Education	6,951,805	-	-	6,951,805	6,531,945	(419,860)
Cost of Living	60,000	-	-	60,000	62,942	2,942
Vocational Education	460,000	-	-	460,000	414,759	(45,241)
 Title I					214,390	
Title IIA					43,444	
Title IV					21,003	
ESSER					743,715	
Total Budgeted Federal Funds	589,615	-	-	589,615	1,022,552	432,937
 KPERS	2,903,153	-	-	2,903,153	2,664,570	(238,583)
Special Assessment	175,000	-	-	175,000	171,277	(3,723)

Unified School District No. 469
Lansing, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
State equalization aid	\$ 14,871,626	\$ 15,022,914	\$ (151,288)
State special education fund	3,053,195	3,574,405	(521,210)
Federal aid	-	14,000	(14,000)
Reimbursements	30,741	-	30,741
Total Receipts	17,955,562	<u>\$ 18,611,319</u>	<u>\$ (655,757)</u>
Expenditures			
Instruction	7,861,676	\$ 8,684,972	\$ (823,296)
Student support services	936,600	950,000	(13,400)
Instructional support services	469,743	202,000	267,743
General administration	803,677	533,000	270,677
School administration	1,256,160	1,400,500	(144,340)
Operations and maintenance	1,049	-	1,049
Transportation services	747,493	655,000	92,493
Central support services	84,315	81,280	3,035
Transfers out	5,794,849	6,104,567	(309,718)
Adjustment to comply to legal max	-	(681,459)	681,459
	17,955,562	17,929,860	25,702
Adjustment for qualifying budget credit	-	30,741	(30,741)
Total Expenditures	17,955,562	<u>\$ 17,960,601</u>	<u>\$ (5,039)</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	<u>\$ -</u>		

Unified School District No. 469
Lansing, Kansas
Supplemental General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Ad valorem property	\$ 2,012,207	\$ 2,048,986	\$ (36,779)
Delinquent	16,250	42,840	(26,590)
Motor and recreational vehicle	261,164	242,891	18,273
Watercraft	1,429	-	1,429
Recreational vehicle tax	4,048	3,363	685
Commercial vehicle tax	-	5,899	(5,899)
In lieu of taxes	-	194	(194)
Supplemental state aid	3,573,432	3,715,356	(141,924)
Total Receipts	<u>5,868,530</u>	<u>\$ 6,059,529</u>	<u>\$ (190,999)</u>
Expenditures			
Instruction	949,882	\$ 871,440	\$ 78,442
Instructional support services	568,131	460,500	107,631
Operations and maintenance	1,671,943	1,570,000	101,943
General administration	420,883	405,000	15,883
Transfers out	2,259,762	2,798,822	(539,060)
Adjustment to comply to legal max	-	(238,157)	238,157
Total Expenditures	<u>5,870,601</u>	<u>\$ 5,867,605</u>	<u>\$ 2,996</u>
Receipts Over (Under) Expenditures	(2,071)		
Unencumbered Cash, Beginning	<u>351,833</u>		
Unencumbered Cash, Ending	<u>\$ 349,762</u>		

Unified School District No. 469
Lansing, Kansas
Gifts and Grants Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Federal aid	\$ 11,250	\$ -	\$ 11,250
State aid	11,250	-	11,250
Miscellaneous	5,345	-	5,345
Total Receipts	<u>27,845</u>	<u>\$ -</u>	<u>\$ 27,845</u>
Expenditures			
Instruction	<u>23,268</u>	<u>\$ -</u>	<u>\$ 23,268</u>
Total Expenditures	<u>23,268</u>	<u>\$ -</u>	<u>\$ 23,268</u>
Receipts Over (Under) Expenditures	4,577		
Unencumbered Cash, Beginning	<u>4,003</u>		
Unencumbered Cash, Ending	<u>\$ 8,580</u>		

Unified School District No. 469
Lansing, Kansas
At Risk (4 year olds) Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Federal aid	\$ -	\$ 22,500	\$ (22,500)
Transfers in	125,178	150,000	(24,822)
Miscellaneous	-	-	-
Total Receipts	<u>125,178</u>	<u>\$ 172,500</u>	<u>\$ (47,322)</u>
Expenditures			
Instruction	84,976	140,500	\$ (55,524)
Student support services	40,202	32,000	8,202
Operations and maintenance	-	-	-
Total Expenditures	<u>125,178</u>	<u>\$ 172,500</u>	<u>\$ (47,322)</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

Unified School District No. 469
Lansing, Kansas
At Risk (K-12) Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Receipts			
Transfers in	\$ 1,941,798	1,938,798	\$ 3,000
Total Receipts	<u>1,941,798</u>	<u>\$ 1,938,798</u>	<u>\$ 3,000</u>
Expenditures			
Instruction	1,938,798	\$ 1,938,798	\$ -
Instructional support services	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,938,798</u>	<u>\$ 1,938,798</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	3,000		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 3,000</u>		

Unified School District No. 469
Lansing, Kansas
Bilingual Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Receipts			
Transfers in	\$ 81,695	\$ 99,919	\$ (18,224)
Total Receipts	<u>81,695</u>	<u>\$ 99,919</u>	<u>\$ (18,224)</u>
Expenditures			
Instruction	81,675	\$ 99,919	\$ (18,244)
Total Expenditures	<u>81,675</u>	<u>\$ 99,919</u>	<u>\$ (18,244)</u>
Receipts Over (Under) Expenditures	20		
Unencumbered Cash, Beginning	<u>150</u>		
Unencumbered Cash, Ending	<u>\$ 170</u>		

Unified School District No. 469
Lansing, Kansas
Virtual Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Receipts			
Transfers in	\$ 136,500	\$ 305,417	\$ (168,917)
Total Receipts	<u>136,500</u>	<u>\$ 305,417</u>	<u>\$ (168,917)</u>
Expenditures			
Instruction	<u>121,333</u>	<u>\$ 305,417</u>	<u>\$ (184,084)</u>
Total Expenditures	<u>121,333</u>	<u>\$ 305,417</u>	<u>\$ (184,084)</u>
Receipts Over (Under) Expenditures	15,167		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 15,167</u>		

Unified School District No. 469
Lansing, Kansas
Drivers Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
State aid	\$ 5,490	\$ 9,000	\$ (3,510)
Miscellaneous	8,400	10,000	(1,600)
Transfers in	-	-	-
Total Receipts	<u>13,890</u>	<u>\$ 19,000</u>	<u>\$ (5,110)</u>
Expenditures			
Instruction	12,496	\$ 19,250	\$ (6,754)
Operations and maintenance	690	673	17
Transportation services	-	-	-
Total Expenditures	<u>13,186</u>	<u>\$ 19,923</u>	<u>\$ (6,737)</u>
Receipts Over (Under) Expenditures	704		
Unencumbered Cash, Beginning	<u>923</u>		
Unencumbered Cash, Ending	<u>\$ 1,627</u>		

Unified School District No. 469
Lansing, Kansas
Food Service Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Federal aid	\$ 1,681,250	\$ 933,733	\$ 747,517
State aid	12,673	6,676	5,997
Lunch receipts	47,068	7,497	39,571
Miscellaneous	27,579	-	27,579
	<u>1,768,570</u>	<u>\$ 947,906</u>	<u>\$ 820,664</u>
Expenditures			
Food service	1,361,640	\$ 1,083,273	\$ 278,367
Operations and maintenance	-	26,489	(26,489)
	<u>1,361,640</u>	<u>\$ 1,109,762</u>	<u>\$ 251,878</u>
Receipts Over (Under) Expenditures	406,930		
Unencumbered Cash, Beginning	<u>161,855</u>		
Unencumbered Cash, Ending	<u>\$ 568,785</u>		

**Unified School District No. 469
Lansing, Kansas
Professional Development Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Miscellaneous	\$ -	\$ -	\$ -
State aid	-	-	-
Transfers in	34,900	25,000	9,900
Total Receipts	34,900	\$ 25,000	\$ 9,900
Expenditures			
Instruction	22,606	\$ -	\$ 22,606
Instructional support services	544	26,722	(26,178)
Student support services	1,100	-	1,100
General administration	11,237	-	11,237
School administration	1,135	-	1,135
Total Expenditures	36,622	\$ 26,722	\$ 9,900
Receipts Over (Under) Expenditures	(1,722)		
Unencumbered Cash, Beginning	1,723		
Unencumbered Cash, Ending	\$ 1		

Unified School District No. 469
Lansing, Kansas
Parents as Teachers Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
State aid	\$ 86,450	\$ 87,000	\$ (550)
Federal aid	-	-	-
Transfers in	43,225	50,000	(6,775)
Total Receipts	129,675	\$ 137,000	\$ (7,325)
Expenditures			
Student support services	125,754	\$ 150,348	\$ (24,594)
Total Expenditures	125,754	\$ 150,348	\$ (24,594)
Receipts Over (Under) Expenditures	3,921		
Unencumbered Cash, Beginning	13,348		
Unencumbered Cash, Ending	\$ 17,269		

Unified School District No. 469
Lansing, Kansas
Special Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
State aid	\$ -	\$ 2,400	\$ (2,400)
Federal aid	1,188,463	1,045,000	143,463
Miscellaneous	12,114	30,000	(17,886)
Transfers in	5,290,851	5,874,405	(583,554)
Total Receipts	<u>6,491,428</u>	<u><u>\$ 6,951,805</u></u>	<u><u>\$ (460,377)</u></u>
Expenditures			
Instruction	4,686,890	\$ 5,176,205	\$ (489,315)
Student support services	865,924	906,000	(40,076)
Instructional support services	27,197	87,600	(60,403)
General administration	344,699	374,500	(29,801)
School administration	162,784	28,850	133,934
Operations and maintenance	46,435	167,150	(120,715)
Student transportation	289,444	211,500	77,944
Other Cares funding	108,572	-	108,572
Total Expenditures	<u>6,531,945</u>	<u><u>\$ 6,951,805</u></u>	<u><u>\$ (419,860)</u></u>
Receipts Over (Under) Expenditures	(40,517)		
Unencumbered Cash, Beginning	<u>40,517</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

Unified School District No. 469
Lansing, Kansas
Cost of Living Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Ad valorem property	\$ 236,467	\$ 222,855	\$ 13,612
Miscellaneous	-	-	-
Transfers in	-	-	-
Total Receipts	<u>236,467</u>	<u><u>\$ 222,855</u></u>	<u><u>\$ 13,612</u></u>
Expenditures			
General administration	<u>62,942</u>	<u>\$ 60,000</u>	<u>\$ 2,942</u>
Total Expenditures	<u>62,942</u>	<u><u>\$ 60,000</u></u>	<u><u>\$ 2,942</u></u>
Receipts Over (Under) Expenditures	173,525		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u><u>\$ 173,525</u></u>		

Unified School District No. 469
Lansing, Kansas
Vocational Education Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Miscellaneous	\$ 14,295	\$ -	\$ 14,295
Transfers in	400,464	460,000	(59,536)
Total Receipts	414,759	\$ 460,000	\$ (45,241)
Expenditures			
Instruction	414,759	\$ 460,000	\$ (45,241)
Student transportation	-	-	-
Total Expenditures	414,759	\$ 460,000	\$ (45,241)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	\$ -		

Unified School District No. 469
Lansing, Kansas
Federal Grant Funds
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Title I Actual	Title IIA Actual	Title IV Actual	ESSER Actual	Federal Funds Actual	Federal Funds Budget	Variance- Over (Under)
Receipts							
Federal aid	214,390	\$ 43,444	\$ 21,003	\$ 350,000	\$ 628,837	\$ 589,615	\$ 39,222
Transfers in	-	-	-	-	-	-	-
Total Receipts	<u>214,390</u>	<u>43,444</u>	<u>21,003</u>	<u>350,000</u>	<u>628,837</u>	<u>\$ 589,615</u>	<u>\$ 39,222</u>
Expenditures							
Instruction	214,390	43,444	21,003	656,485	935,322	\$ 589,615	\$ 345,707
Student support services	-	-	-	15,287	15,287	-	15,287
Operations and maintenance	-	-	-	36,196	36,196	-	36,196
Student transportation	-	-	-	21,470	21,470	-	21,470
Other CARES	-	-	-	14,277	14,277	-	14,277
Transfers out	-	-	-	-	-	-	-
Total Expenditures	<u>214,390</u>	<u>43,444</u>	<u>21,003</u>	<u>743,715</u>	<u>1,022,552</u>	<u>\$ 589,615</u>	<u>\$ 432,937</u>
Receipts Over (Under) Expenditures	-	-	-	(393,715)	(393,715)		
Unencumbered Cash, Beginning	-	-	-	59,615	59,615		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (334,100)</u>	<u>\$ (334,100)</u>		

Unified School District No. 469
Lansing, Kansas
KPERS Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Receipts			
State aid	\$ 2,664,570	\$ 2,903,153	\$ (238,583)
Total Receipts	<u>2,664,570</u>	<u><u>\$ 2,903,153</u></u>	<u><u>\$ (238,583)</u></u>
Expenditures			
Instruction	<u>2,664,570</u>	<u>\$ 2,903,153</u>	<u>\$ (238,583)</u>
Total Expenditures	<u>2,664,570</u>	<u><u>\$ 2,903,153</u></u>	<u><u>\$ (238,583)</u></u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u><u>\$ -</u></u>		

Unified School District No. 469
Lansing, Kansas
Contingency Reserve Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>
Receipts	
Transfer in	<u>\$ 69,231</u>
Total Receipts	<u>69,231</u>
Expenditures	
Student support services	<u>166,230</u>
Total Expenditures	<u>166,230</u>
Receipts Over (Under) Expenditures	(96,999)
Unencumbered Cash, Beginning	<u>97,076</u>
Unencumbered Cash, Ending	<u><u>\$ 77</u></u>

Unified School District No. 469
Lansing, Kansas
Textbook Rental Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>
Receipts	
Miscellaneous	\$ 76
Total Receipts	<u>76</u>
Expenditures	
Instruction	<u>76</u>
Total Expenditures	<u>76</u>
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>

Unified School District No. 469
Lansing, Kansas
Grants Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>
Receipts	
Federal aid	\$ -
State aid	28,663
Miscellaneous	<u>-</u>
Total Receipts	<u>28,663</u>
Expenditures	
General administration	152,699
Operations and maintenance	-
Other CARES Act funding	19,919
Other	<u>-</u>
Total Expenditures	<u>172,618</u>
Receipts Over (Under) Expenditures	(143,955)
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ (143,955)</u></u>

**Unified School District No. 469
Lansing, Kansas
Special Assessment Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022**

Schedule 2

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Receipts			
Ad valorem property	\$ 147,472	\$ 136,178	\$ 11,294
Delinquent	1,269	2,238	(969)
Motor and recreational vehicle	19,763	18,336	1,427
Commercial vehicle tax	-	446	(446)
Watercraft	107	-	107
In lieu of taxes	-	15	(15)
Recreational vehicle tax	<u>306</u>	<u>254</u>	<u>52</u>
Total Receipts	<u>168,917</u>	<u>\$ 157,467</u>	<u>\$ 11,450</u>
Expenditures			
Principal	<u>171,277</u>	<u>\$ 175,000</u>	<u>\$ (3,723)</u>
Total Expenditures	<u>171,277</u>	<u>\$ 175,000</u>	<u>\$ (3,723)</u>
Receipts Over (Under) Expenditures	(2,360)		
Unencumbered Cash, Beginning	<u>171,242</u>		
Unencumbered Cash, Ending	<u>\$ 168,882</u>		

Unified School District No. 469
Lansing, Kansas
Daycare Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	<u>Actual</u>
Receipts	
Daycare	\$ 453,476
Total Receipts	<u>453,476</u>
Expenditures	
Instruction	<u>453,476</u>
Total Expenditures	<u>453,476</u>
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>

Unified School District No. 469
Lansing, Kansas
Capital Outlay Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Ad valorem property	\$ 1,237,437	\$ 1,142,560	\$ 94,877
Delinquent	9,252	17,521	(8,269)
Motor and recreational vehicle	146,510	136,838	9,672
Watercraft	839	-	839
Recreational vehicle tax	2,271	1,895	376
Commercial vehicle tax	-	3,323	(3,323)
In lieu of taxes	-	109	(109)
Federal aid	-	-	-
State aid	703,256	706,324	(3,068)
Interest	-	-	-
Miscellaneous	239,084	-	239,084
Transfers in	-	-	-
Total Receipts	<u>2,338,649</u>	<u>\$ 2,008,570</u>	<u>\$ 330,079</u>
Expenditures			
Instruction	457,444	\$ 406,000	\$ 51,444
Instructional support services	479,623	300,000	179,623
General administration	108,666	518,417	(409,751)
Operations and maintenance	1,493,684	1,215,000	278,684
Student transportation	-	100,000	(100,000)
Total Expenditures	<u>2,539,417</u>	<u>\$ 2,539,417</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(200,768)		
Unencumbered Cash, Beginning	<u>476,330</u>		
Unencumbered Cash, Ending	<u>\$ 275,562</u>		

Unified School District No. 469
Lansing, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 2

	Actual	Budget	Variance- Over (Under)
Receipts			
Ad valorem property	\$ 2,383,961	\$ 2,202,922	\$ 181,039
Delinquent	17,549	32,271	(14,722)
Motor and recreational vehicle	278,103	258,994	19,109
Watercraft	1,546	-	1,546
Recreational vehicle tax	4,310	3,587	723
Commercial vehicle tax	-	6,290	(6,290)
In lieu of taxes	-	207	(207)
Interest	23	-	23
State aid	2,804,041	2,804,041	-
Total Receipts	<u>5,489,533</u>	<u>\$ 5,308,312</u>	<u>\$ 181,221</u>
Expenditures			
Principal	1,945,000	\$ 1,945,000	\$ -
Interest	<u>3,153,256</u>	<u>3,153,256</u>	<u>-</u>
Total Expenditures	<u>5,098,256</u>	<u>\$ 5,098,256</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(5,098,233)		
Unencumbered Cash, Beginning	<u>76,380,958</u>		
Unencumbered Cash, Ending	<u>\$ 71,282,725</u>		

Unified School District No. 469
Lansing, Kansas
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 3

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Lansing High School				
Football	\$ -	\$ 13,465	\$ 13,465	\$ -
Volleyball	-	7,890	7,890	-
Cross Country	-	1,680	1,680	-
Soccer - Boys	-	4,562	4,562	-
Tennis - Girls	-	2,432	2,432	-
Basketball - Boys	-	8,823	8,823	-
Basketball - Girls	-	10,437	10,437	-
Bowling	-	3,211	3,211	-
Swimming - Boys	-	3,772	3,772	-
Wrestling	-	8,745	8,745	-
Baseball	-	6,988	6,988	-
Golf	-	3,481	3,481	-
Soccer - Girls	-	4,231	4,231	-
Softball	-	4,821	4,821	-
Swimming - Girls	-	4,542	4,542	-
Tennis - Boys	-	1,315	1,315	-
Track & Field	-	10,167	10,167	-
Powerlifting	-	6,457	6,457	-
Band	742	12,596	13,338	-
Debate	-	12,000	12,000	-
Forensics	-	6,239	6,239	-
NSDA Membership	114	-	74	40
Vocal Music	-	4,320	4,320	-
Scholar Bowl	-	1,709	1,709	-
Class of 2022	19,310	2,253	3,849	17,714
Class of 2023	70	6,265	3,420	2,915
Class of 2024	-	3,845	1,135	2,710
Class of 2025	-	94	-	94
Main Stage Musical	-	6,867	9	6,858
Main Stage Play	-	5,953	-	5,953
Repertory	-	57	-	57
Culinary Arts	-	6,248	6,248	-
Event Planning	670	2,858	3,001	527
Yearbook	26,925	26,158	35,247	17,836
Students - Other	1,934	165	104	1,995
Ind Tech	753	6,048	6,104	697
Newspaper	244	-	-	244
Social Work	1,449	-	478	971
Guidance	5,679	15,546	14,070	7,155
Site Council	241	-	-	241
Student Adv Team	1,441	1,000	711	1,730
FACS	636	-	-	636
Video Pro	3,629	-	-	3,629
Veh Reg	4,041	1,079	281	4,839
Sped Autism	1,985	-	10	1,975
Special Olympics	864	-	286	578
Lion Indus	1,157	-	510	647
Smr Cond	8,695	9,680	5,029	13,346

Unified School District No. 469
Lansing, Kansas
Agency Funds (continued)
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 3

Funds	Beginning			Ending
	Cash Balance	Receipts	Disbursements	Cash Balance
Club - Football	4,900	31,785	21,773	14,912
Club - Volleyball	3,045	13,968	14,523	2,490
Club - Cross Country	-	96	96	-
Club - Soccer Boys	2,938	4,027	6,965	-
Club - Tennis Girls	550	1,350	1,538	362
Club - Basketball Boys	65	1,550	1,509	106
Club - Basketball Girls	1,130	-	160	970
Club - Bowling	119	-	-	119
Club - Swimming Boys	3,453	1,395	1,042	3,806
Club - Wrestling	2,781	4,402	3,079	4,104
Club - Baseball	522	4,796	4,869	449
Club - Golf	-	-	-	-
Club - Soccer Girls	1,938	5,452	2,487	4,903
Club - Softball	4,135	5,593	7,077	2,651
Club - Swimming Girls	9,976	2,701	2,572	10,105
Club - Sea Lions	8,253	13,317	16,749	4,821
Club - Tennis Boys	2,139	4,545	5,593	1,091
Club - Track & Field	1,031	-	4	1,027
Club - FCA	4	65	-	69
Club - Powerlifting	12,538	8,007	5,530	15,015
Club - Art	1,189	74	253	1,010
Club - Band	25,659	106,284	130,050	1,893
Club - Band Booster	18,202	16,808	20,711	14,299
Club - Cheerleading	6,423	26,591	30,421	2,593
Club - DECA	4,033	37,271	40,986	318
Club - DECA Nationals	-	888	888	-
Club - Drama	9,321	9,204	16,330	2,195
Club - French	456	-	-	456
Club - In House Train	394	35	-	429
Club - Kayettes	-	-	-	-
Club - KAYS	1,052	2,098	1,308	1,842
Club - Lionettes	2,824	16,031	16,415	2,440
Club - Math	2,255	990	1,353	1,892
Club - Music Theatre	8,732	6,748	15,480	-
Club - NAHS	1,143	-	-	1,143
Club - NFL	7,099	30,722	22,505	15,316
Club - NHS	771	2,124	834	2,061
Club - Pen & Paw	879	430	260	1,049
Club - Science	1,355	-	-	1,355
Club - Tri-M	9	-	-	9
Club - Vocal	7,791	2,702	3,409	7,084
Club - Leadership	3,589	8,502	7,104	4,987
Club - Scholar Bowl	-	922	922	-
Club - Culinary	46	810	597	259
Club - Donations	3,181	47	-	3,228
Club - Positive Committee	80	700	149	631
Club - Spanish Honor	297	458	246	509
Club - Helping Hands	2,910	-	735	2,175
Total Lansing High School	249,786	611,487	631,713	229,560

Unified School District No. 469
Lansing, Kansas
Agency Funds (continued)
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 3

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Lansing Middle School				
Football	\$ 6,787	\$ 3,523	\$ 1,998	\$ 8,312
Volleyball	1,371	2,928	2,092	2,207
Cross Country	3,826	1,774	1,276	4,324
Basketball - Boys	2,307	5,785	5,166	2,926
Basketball - Girls	643	4,421	3,829	1,235
Wrestling	5,570	3,069	3,710	4,929
Track & Field	3,059	3,495	1,327	5,227
Yearbook	-	12,260	10,930	1,330
Fundraising	39,444	63,316	86,342	16,418
Staff	1,410	184	-	1,594
Sped Autism	5,139	960	282	5,817
8th Grade	-	2,890	2,364	526
Band	465	4,814	5,279	-
Drama	974	-	41	933
Just Say No	957	-	-	957
Math Club	231	-	-	231
Pep Club	2,032	9,029	11,042	19
Science Club	1,273	-	-	1,273
Stuco	2,834	435	149	3,120
Vocal Music	4,056	2,762	3,333	3,485
Donations	360	-	-	360
Peer Leadership	576	651	935	292
Lions Pantry	11,332	2,050	823	12,559
Total Lansing Middle School	94,646	124,346	140,918	78,074
Lansing Elementary School				
Field Trip - Special Ed	750	-	189	561
Field Trip - Kindergarten	3,569	6,010	6,992	2,587
Field Trip - 1st Grade	2,601	1,869	2,370	2,100
Field Trip - 2nd Grade	4,361	2,130	2,428	4,063
Field Trip - 3rd Grade	748	3,671	4,166	253
Art Club	122	-	-	122
PE Account	935	550	438	1,047
Lansinger	250	-	-	250
Stuco	5,251	25	650	4,626
Donations	707	2,294	1,365	1,636
Guidance	300	-	-	300
Total Lansing Elementary School	19,594	16,549	18,598	17,545
Lansing Intermediate School				
Food Bank	1,200	500	32	1,668
4th Grade	2,255	2,815	4,192	878
5th Grade	-	5,704	5,593	111
Club Account	-	3,139	3,139	-
Loyal Lansinger Club	427	653	1,080	-
Kindness Club	600	39	35	604
Stuco	3,075	-	1,730	1,345
Total Lansing Intermediate School	7,557	12,850	15,801	4,606
Total Agency Funds	<u>\$ 371,583</u>	<u>\$ 765,232</u>	<u>\$ 807,030</u>	<u>\$ 329,785</u>

Unified School District No. 469
Lansing, Kansas
District Activity
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2022

Schedule 4

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Lansing High School						
Admin - Other	\$ 7,668	\$ 17,585	\$ 17,816	\$ 7,437	\$ -	\$ 7,437
Admin - Gates	15,995	8,007	24,002	-	-	-
IM Fees	39,904	89,833	129,737	-	-	-
Bus Fees	-	4,088	4,088	-	-	-
iPad account	2,300	3,027	5,327	-	-	-
Inst Rental	10	3,048	2,118	940	-	940
Lunch	-	8,894	8,894	-	-	-
Sales tax	869	10,884	10,332	1,421	-	1,421
Library	191	187	43	335	-	335
Vending machine	4,568	3,831	4,664	3,735	-	3,735
Adjustment	-	50	50	-	-	-
Offset credit	1,227	787	1,689	325	-	325
Free Disc	-	22,025	22,025	-	-	-
Refund	-	3,219	3,219	-	-	-
Write off	-	365	365	-	-	-
Deductions	-	-	-	-	-	-
Flex spending acct	74,230	9,945	-	84,175	-	84,175
Lansing Middle School						
Other	730	-	-	730	-	730
Gate	149	-	-	149	-	149
IM Fees	-	38,900	38,900	-	-	-
Bus Fees	-	3,295	3,295	-	-	-
iPad Account	-	638	638	-	-	-
Instrument Rental	2,286	4,506	40	6,752	-	6,752
Lunch	-	1,509	1,509	-	-	-
Sales Tax	77	3,681	3,683	75	-	75
Interest	256	82	-	338	-	338
Library	22	5,699	4,180	1,541	-	1,541
Adjustment	-	-	-	-	-	-
Credit	-	35	-	35	-	35
Free Disc	-	12,139	12,139	-	-	-
Refund	-	273	198	75	-	75
Lansing Elementary School						
Other	25	525	25	525	-	525
IM Fees	-	15,841	6,086	9,755	-	9,755
Bus Fees	-	1,980	1,980	-	-	-
iPad Account	-	148	148	-	-	-
Lunch	-	2,457	1,373	1,084	-	1,084
Library	3,682	821	-	4,503	-	4,503
Recycling	420	-	-	420	-	420
Adjustment	-	14	14	-	-	-
Credit	-	476	476	-	-	-
Free Disc	-	4,788	4,788	-	-	-
Transfer	-	64	64	-	-	-
Lansing Intermediate School						
IM Fees	5,990	7,884	13,811	63	-	63
Lunch	-	1,981	50	1,931	-	1,931
Library	1,020	220	68	1,172	-	1,172
Adjustment	-	22	22	-	-	-
Credit	-	159	-	159	-	159
Bus Fees	-	730	730	-	-	-
Free Disc	-	2,350	2,350	-	-	-
Refund	-	25	-	25	-	25
Other						
Online Payments	39,909	512,457	512,056	40,310	-	40,310
	<u>\$ 201,528</u>	<u>\$ 809,474</u>	<u>\$ 842,992</u>	<u>\$ 168,010</u>	<u>\$ -</u>	<u>\$ 168,010</u>

**Unified School District No. 469
Lansing, Kansas**

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assisted Listing Number	Expenditures
Department of Housing and Development		
Passed Through Kansas Department of Commerce		
Community Development Block Grants/Special Purpose Grants/Insular Areas	93.558	\$ 11,250
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	180
Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079	747
Total United States Department of Housing and Development		12,177
United States Department of Agriculture		
Passed through Kansas State Department of Education		
Child Nutrition Cluster		
School Breakfast Program (SBP)	10.553	305,424
National School Lunch Program (NSLP)	10.555	1,283,260
Summer Food Service Program for Children (SFSPC)	10.559	90,840
Total Child Nutrition Cluster		1,679,524
Child and Adult Care Food Program (CACFP)	10.558	1,229
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	10.649	614
Total United States Department of Agriculture		1,681,367
United States Department of Education		
Passed through Kansas State Department of Education		
Special Education Cluster (IDEA)		
Special Education-Preschool Grants (IDEA Preschool)	84.173A	19,686
Special Education-Preschool Grants (IDEA Preschool)	84.173X	10,197
Special Education-Grants to States (IDEA, Part B)	84.027X	117,548
Special Education-Grants to States (IDEA, Part B)	84.027A	516,667
Total Special Education Cluster (IDEA)		664,098
Student Support and Academic Enrichment	84.424A	21,003
COVID-19 Education Stabilization Fund	84.425D	475,000
Title I, Grants to Local Education Agencies	84.010A	214,390
Title II, Improving Teacher Quality	84.367A	43,444
Total United States Department of Education		1,417,935
Total		\$ 3,111,479

**Unified School District No. 469
Lansing, Kansas**

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Unified School District No. 469, Lansing, Kansas (the District) under programs of the federal government for the year ended June 30, 2022. 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). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statement. 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 of the District.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the regulatory basis of accounting, as described in Note 1 to the District's financial statement.

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

**Unified School District No. 469
Lansing, Kansas**

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section I - Summary of Auditor's Results

Financial Statement

Type of report issued on whether the financial statement audited was prepared in accordance with GAAP:

Adverse

Type of auditor's report issued on the basis of accounting used by the District:

Unmodified – Regulatory Basis

Internal control over financial reporting:

Material weaknesses identified:

None

Significant deficiencies identified that are not considered to be material weaknesses:

2022-001

Noncompliance material to financial statement noted:

None

Federal Awards

Type of auditor's report issued on compliance for major programs:

Unmodified

Internal control over major programs:

Material weaknesses identified:

None

Significant deficiencies identified that are not considered to be material weaknesses:

None reported

Any audit findings that are required to be reported in accordance with Section 2 CFR 200.516(a):

None

Identification of major programs:

Assistance Listing Number

10.553, 10.555 and 10.559

Name of Federal Program

Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as a low-risk auditee:

No

**Unified School District No. 469
Lansing, Kansas**

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section II - Financial Statement Findings

2022-001 – Significant Deficiency

- Criteria – The District should have proper and adequate controls over its cash processes, including the bank reconciliation, approvals and check signing.
- Condition – Internal controls over certain cash procedures are not set up or need to be reviewed and addressed for potential changes.
- Context – Bank reconciliations are not being reviewed by someone other than the person who creates them. Checks written have the authorized signatures printed on them versus actually signed. One cash account has no review of the transactions, has no bank reconciliation being performed and only has one signer.
- Effect – Transactions could be mishandled and recorded incorrectly, and errors may not be caught if the proper review was in place.
- Recommendations – I recommend the District review and evaluate their controls or lack thereof over the cash processes noting specifically the items noted and implement policies to ensure adequate controls are in place.
- Views of Responsible Officials (Unaudited) – see attached Corrective Action Plan

Section III – Federal Award Findings and Questioned Costs

No matters reported

**Unified School District No. 469
Lansing, Kansas**

**Summary Schedule of Prior Year Findings
For the Year Ended June 30, 2022**

2021-001 – Significant Deficiency

- Criteria – The District should have proper and adequate controls over its cash processes, including the bank reconciliation, approvals and check signing.
- Condition – Internal controls over certain cash procedures are not set up or need to be reviewed and addressed for potential changes.
- Context – Bank reconciliations are not being reviewed by someone other than the person who creates them. Checks written have the authorized signatures printed on them versus actually signed. One cash account has no review of the transactions, has no bank reconciliation being performed and only has one signer.
- Effect – Transactions could be mishandled and recorded incorrectly, and errors may not be caught if the proper review was in place.
- Recommendations – I recommend the District review and evaluate their controls or lack thereof over the cash processes noting specifically the items noted and implement policies to ensure adequate controls are in place.
- Follow-up – Reported in the current year.



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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 A FINANCIAL STATEMENT PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Education
Lansing Unified School District No. 469

I 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, the financial statement of the Unified School District No. 469, Lansing, Kansas, (the District) which comprises the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash for the year ended June 30, 2022, and the related notes to the financial statement and have issued my report thereon dated January 27, 2023. My report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statement, I 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 my opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I 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 District'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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned as item 2022-001 that I consider to be significant deficiencies.



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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The District's Response to Findings

The District's response to the findings identified in my audit is described in the accompanying corrective action plan. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Shipley CPA, LLC

Shipley CPA, LLC
January 27, 2023
Topeka, Kansas



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Education
Lansing Unified School District No. 469

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited Unified School District No. 469, Lansing, Kansas (the District's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. 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 my 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, 2022.

Basis for Opinion on Each Major Federal Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report. I am required to be independent of the District and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My 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

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

- 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 I 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.

I am 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 I 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.



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My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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 my 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.

Shipley CPA, LLC

Shipley CPA, LLC
January 27, 2023
Topeka, Kansas



Lansing Unified School District 469

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Lansing, Kansas 66043
913-727-1100
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January 27, 2023

Mr. Russell Shipley
Shipley CPA, LLC

Mr. Shipley,

We would like to respond to a couple of items and give you a plan on how we intend to improve internal controls in our office. With three of us in the business office handling financials, it can be difficult to manage internal controls effectively but are willing to do everything possible to be in compliance and eliminate deficiencies.

Bank Reconciliations – For the General Account with Citizen's National Bank, both Christine and I work on the reconciliation monthly as that is how we make sure all the revenue is accounted for, bond and interest wires are accounted for, and appropriate checks are cleared and accounted for, etc. Either Christine or Doniaell will submit the reconciliation once completed. How we can take this one step further for final approval is to put the reconciliation along with the bank statement on the agenda for board approval. For the Online Payment flow through account at Exchange Bank & Trust, we do reconcile this account monthly, and those reconciliations were sent. We will put the reconciliations for this account on the agenda for board approval monthly as well. The flex spending account is not reconciled as this account is controlled by Nuesynergy when contributions are paid in and withdrawn. We also don't account for the cash in our accounting system for this account. School bank reconciliations will continue to be on the agenda but moved to the administrative section now that we will be providing detail transactions that we don't need the public to see as there are student names that could be viewed.

Check signatures – For the main account at CNB, we have reached out to Skyward to get our checks to print two signatures and leave a space for one original signature. The original signature will be Doniaell Brandt's. For the Exchange Bank online payment account, we have ordered new checks for Christine and Doniaell to be the signers.

Sincerely,

Doniaell Brandt
Clerk of the Board