UNIFIED SCHOOL DISTRICT NO. 373

NEWTON, KANSAS

Financial Statement

For the Year Ended June 30, 2023

Unified School District No. 373

For the Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 373
Newton, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 373, Newton, Kansas, (District), as of and for the year ended June 30, 2023 and the related disclosures 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 standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of 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 2023 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, summary of regulatory basis receipts and disbursements-agency funds, and schedule of regulatory basis receipts, expenditures and unencumbered cash-District activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2023 basic financial statement, but 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 2023 basic financial statement. The 2023 information has been subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 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 2023 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2022 (not presented herein), and have issued our report thereon dated December 8, 2022, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 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 2023 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement of the District. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Knudson, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 13, 2023

Unified School District No. 373

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis

June 30, 2023

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds						
General	$ -	25,165,658	25,165,645	13	24,650	24,663
Supplemental General	324,686	7,365,130	7,583,386	106,430	3,076	109,506
Special Purpose Funds						
Adult Basic Education	25,000	19,250	19,250	25,000	-	25,000
Bilingual Education	100,000	233,988	233,988	100,000	-	100,000
Virtual Education	35,000	45,700	40,350	40,350	-	40,350
Professional Development	134,734	228,805	126,788	236,751	13	236,764
At Risk (K-12)	250,000	5,510,312	5,460,312	300,000	1,973	301,973
At Risk (4 year old)	100,000	334,603	234,603	200,000	79	200,079
Capital Outlay	1,189,226	3,132,511	2,483,872	1,837,865	494,790	2,332,655
Driver Training	41,106	-	4,505	36,601	-	36,601
Food Service	635,708	1,977,754	2,129,173	484,289	-	484,289
Parent Education	28,966	209,201	184,085	54,082	79	54,161
Summer School	10,391	16,811	5,289	21,913	-	21,913
Special Education	577,862	5,954,186	5,717,521	814,527	-	814,527
Special Education Cooperative	2,076,749	8,333,615	8,724,343	1,686,021	1,295	1,687,316
Career and Postsecondary Education	142,689	1,805,768	1,642,189	306,268	899	307,167
KPERS Employer Contribution	-	3,974,287	3,974,287	-	-	-
Recreation Commission	93,205	1,518,649	1,467,000	144,854	-	144,854
Recreation Commission Employee Benefits	26,871	462,076	475,000	13,947	-	13,947
Contingency Reserve	868,396	305,000	121,393	1,052,003	15,767	1,067,770
Textbook and Material Revolving	144,104	278,363	108,138	314,329	3,448	317,777
Employer Fixed Charges	242,309	180,386	403,846	18,849	-	18,849
Federal and State Grant Programs						
Head Start	-	1,052,435	1,261,022	(208,587)	1,367	(207,220)
Improving Basic Programs Operated by						
Local Educational Agencies (Title I)	(69,261)	755,471	658,505	27,705	611	28,316
Supporting Effective Instruction (Title II)	(32,828)	120,407	89,601	(2,022)	176	(1,846)
English Language Acquisition (Title III)	(4,852)	21,835	16,983	-	-	-
Student Support & Academic Enrichment						
Program (Title IV)	-	17,237	34,916	(17,679)	-	(17,679)
Elementary Secondary School Emergency Relief						
ESSER I	-	-	1,582	(1,582)	-	(1,582)
ESSER II	(121,772)	-	300,135	(421,907)	201	(421,706)
ESSER III	-	-	1,395,036	(1,395,036)	104,172	(1,290,864)
ARP Homeless Grant	-	-	18,412	(18,412)	-	(18,412)
KDHE COVID Testing Grant	-	238,982	631,175	(392,193)	-	(392,193)
Bond and Interest Fund						
Bond and Interest	5,348,567	5,027,347	4,428,800	5,947,114	-	5,947,114
Capital Project Fund	-	8,715,182	4,393,490	4,321,692	3,142,515	7,464,207
District Activity Funds						
Activity Gate Receipts	65,112	372,489	366,436	71,165	-	71,165
School Projects	17,053	108,459	106,806	18,706	-	18,706
Total Reporting Entity (Excluding Agency Funds)	$ 12,249,021	83,481,897	80,007,862	15,723,056	3,795,111	19,518,167

Composition of Cash	
Union State Bank	
Checking	$ 137,745
Intrust Bank	
Checking	6,115,088
Certificates of deposit	4,585,000
Municipal Investment Pool	9,309,257
Total Cash	20,147,090
Less Agency Funds (Schedule 3)	628,923
Total Reporting Entity (Excluding Agency Funds)	$ 19,518,167

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Unified School District No. 373, Newton, Kansas, is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Unified School District No. 373 (District), a municipality.

Regulatory Basis Fund Types

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

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

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

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

Trust Fund – used to report assets held in trust for the benefit of the District (i.e., pension funds, investment trust funds, private purpose trust funds which benefit the District, scholarship funds, etc.).

Agency Fund – used to report assets held by the District in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.).

Activity Fund – under provisions of K.S.A. 72-1178, the Board of Education adopted a resolution relating to the school activity funds, which results in the activity funds being accounted for under policies and procedures of the Board.

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.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Funds, Special Purpose Funds (unless specifically exempted by statute), and the Bond and Interest Fund. Although

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year 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 District is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The District 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. During the year the General and At Risk K-12 funds were amended.

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 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, District Activity Funds, Capital Project Funds, or the following Special Purpose Funds: Contingency Reserve, Textbook and Material Revolving, Employer Fixed Charges, and Federal and State Grant Programs.

Spending in funds that 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.

Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparison, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The District does not purchase products or services offered by Kansas industries for the blind and severely disabled, which is a violation of K.S.A. 75-3317 through 75-332.

Eight Federal and State Government Program Funds reflect negative ending unencumbered cash balances for the year ending June 30, 2023, which is allowable under K.S.A. 12-1663. These federal and state grant programs will be reimbursed in the following year.

3. DEPOSITS AND INVESTMENTS

As of June 30, 2023, the District had the following investment and maturity:

Investment Type	Fair Value	Investment Maturity (in Years) Less than 1	Rating U.S.
Kansas Municipal Investment Pool	$ 9,343,361	9,343,361	N/A

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 above.

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. At June 30, 2023, the District held 100% of their investments in the Kansas Municipal Investment Pool.

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. All deposits were legally secured at June 30, 2023.

At June 30, 2023, the District's carrying amount of deposits was $10,837,833 and the bank balance was $14,249,409. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $389,879 was covered by federal depository insurance, and $13,859,530 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

3. DEPOSITS AND INVESTMENTS (Continued)

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, 2023, the District had invested $9,343,361 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Bilingual Education	K.S.A. 72-5167	$ 100,000
General	Virtual Education	K.S.A. 72-5167	45,700
General	Professional Development	K.S.A. 72-5167	135,235
General	At Risk (K-12)	K.S.A. 72-5167	4,347,605
General	At Risk (4 year old)	K.S.A. 72-5167	293,634
General	Capital Outlay	K.S.A. 72-5167	188,625
General	Parent Education	K.S.A. 72-5167	13,670
General	Summer School	K.S.A. 72-5167	6,000
General	Special Education	K.S.A. 72-5167	3,913,780
General	Career and Postsecondary Education	K.S.A. 72-5167	658,177
General	Contingency Reserve	K.S.A. 72-5167	305,000
General	Textbook and Material Revolving	K.S.A. 72-5167	15,118
Supplemental General	Adult Basic Education	K.S.A. 72-5143	19,250
Supplemental General	Bilingual Education	K.S.A. 72-5143	133,988
Supplemental General	Professional Development	K.S.A. 72-5143	93,570
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	1,159,072
Supplemental General	At Risk (4 year old)	K.S.A. 72-5143	40,969
Supplemental General	Parent Education	K.S.A. 72-5143	54,082
Supplemental General	Special Education	K.S.A. 72-5143	1,868,965
Supplemental General	Career and Postsecondary Education	K.S.A. 72-5143	1,035,387
Supplemental General	Textbook and Material Revolving	K.S.A. 72-5143	106,356
Special Education	Special Education Cooperative	K.S.A. 72-978(h)	5,430,124
Bond Issuance	Bond and Interest	Resolution 12-14-22	120,900

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions /Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
2012 Refunding	2.0%	12/01/2012	$ 9,885,000	09/01/2026	$ 8,420,000	-	165,000	8,255,000	166,750
2013 Refunding	2.0%	06/01/2013	9,845,000	09/01/2024	6,180,000	-	250,000	5,930,000	122,000
2014 Refunding	2.0-3.0%	12/01/2014	9,635,000	09/01/2022	3,670,000	-	3,670,000	-	55,050
Refunding & School Building Bonds, Series 2023	4.0-5.0%	01/12/2023	8,195,000	09/01/2037	-	8,195,000	-	8,195,000	-
					18,270,000	8,195,000	4,085,000	22,380,000	343,800
Finance Leases									
Dell Financial Services	3.51%	08/09/2021	1,278,188	12/01/2025	980,194	-	303,616	676,578	273
Signature Public Funding	3.42%	06/30/2022	8,443,761	11/15/2037	8,443,761	-	240,007	8,203,754	252,680
KS State Bank-Floor Scrubber	8.91%	04/12/2023	21,979	04/12/2026	-	21,979	6,217	15,762	-
KS State Bank-Mowers	6.44%	05/17/2023	22,200	05/17/2026	-	22,200	-	22,200	-
					9,423,955	44,179	549,840	8,918,294	252,953
Total contractual indebtedness					$ 27,693,955	8,239,179	4,634,840	31,298,294	596,753

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

	Year Ending June 30							
Principal	2024	2025	2026	2027	2028	2029-2033	2034-2038	Total
General Obligation Bonds	$ 4,705,000	4,685,000	4,945,000	3,065,000	350,000	2,040,000	2,590,000	22,380,000
Finance Leases	641,221	784,559	566,556	500,883	518,159	2,871,537	3,035,379	8,918,294
Total Principal	5,346,221	5,469,559	5,511,556	3,565,883	868,159	4,911,537	5,625,379	31,298,294
Interest								
General obligation bonds	656,748	501,075	396,600	279,000	205,550	748,200	267,800	3,054,973
Finance Leases	283,898	267,424	250,338	232,621	215,345	795,983	265,390	2,310,999
Total interest	940,646	768,499	646,938	511,621	420,895	1,544,183	533,190	5,365,972
Total principal and interest	$ 6,286,867	6,238,058	6,158,494	4,077,504	1,289,054	6,455,720	6,158,569	36,664,266

6. OPERATING LEASES

The District entered into operating lease agreements for copiers, printers and a postage meter for a total of 63 months. Payments totaling $59,164, including overage charges, were made in the year ended June 30, 2023. Under the current lease agreements, the future scheduled minimum payments are as follows:

2024	$ 23,600
2025	20,608
2026	18,555
2027	13,802
2028	5,572

7. CAPITAL PROJECT

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures To Date
Building and Facility Improvements	$ 8,195,000	4,096,770

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of the applicable premium.

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.

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.

Compensated Absences

Classified employees on a 12-month contract who work at least 20 hours per week are credited with 9 days of sick leave after 60 days of continuous service. After the initial 60-day period, classified employees accrue sick leave monthly and may accumulate 130 days of total compensated leave.

Certified teaching staff is credited with 15 days of temporary chargeable leave (due to illness, bereavement, etc.) on the first day of their employment with the District. After the first year, the teacher receives 10 days of additional leave per year which may be accumulated to 120 days. No compensation is paid for unused leave upon termination.

Classified 12-month employees who work at least 20 hours per week receive 10 days of paid vacation per year during the first 5 years of service. The employee is credited with 5 days of paid vacation after the completion of 6 months of service, and then accrues 10/12 of a day's vacation for each month worked. After 5 years of service, the 12-month employee is credited with five additional days per year. Vacation time credited to an employee at July 1 of any year must be used by June 30 of the following year.

The District's liability for compensated absences at June 30, 2023, has not been recorded in this financial statement.

Early Retirement Pension Plan

The District provides an early retirement program for certain eligible employees. The plan defines those eligible as employees who are "currently employed in licensed employment or administrative employment with the District." Eligible retirees under this program may receive benefits for up to 12 years. Payments to retired employees under this plan for the years ended June 30, 2023 and 2022, were $486,350 and $543,540, respectively.

9. 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. 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 statutory contribution rate was 13.88% and 13.11% for the fiscal year ended June 30, 2023.

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

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

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for Fiscal 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

9. DEFINED BENEFIT PENSION PLAN (Continued)

KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $3,974,287 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 $37,716,192. 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 publicly available on the website at www.kpers.org or can be obtained as described above.

10. RISK MANAGEMENT

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, not all grant expenditures have been audited, but the District believes that disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of 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 been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Association of School Boards (KASB) Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to the KASB for its workers' compensation insurance coverage. The agreement to participate provides that the KASB fund will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $300,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KASB management. The District records a liability for estimated additional contributions that may be incurred due to adjustments made by the KASB. The cost of this workers' compensation coverage is charged to District funds based on actual payroll expenditures.

10. RISK MANAGEMENT (continued)

The District continues to carry commercial insurance for all other risks of loss, including liability, property, inland marine, linebacker, cyber security, and fleet coverage. There have been no significant reductions in insurance coverage during the past fiscal year, and there were no settlements that exceeded insurance coverage in the past three fiscal years.

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

11. RELATED PARTY TRANSACTIONS

The District is the taxing authority for the Newton Recreation Commission (NRC), which operates recreational programs within the District. The District and the City of Newton each appoint two members of the recreation commission board. During the fiscal year ended June 30, 2023, the District levied a total tax of 9.803 mills for the Recreation Commission and Recreation Commission Employee Benefits Funds, which in turn is appropriated to NRC for its operations. The financial activity of NRC is not included in the accompanying financial statement.

12. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to June 30, 2023, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through December 13, 2023, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 373

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2023

Unified School District No. 373

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended June 30, 2023

Funds	Certified Budget	Adjustment to 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	$ 24,531,843	(182,867)	816,669	25,165,645	25,165,645	-
Supplemental General	7,583,386	-	-	7,583,386	7,583,386	-
SPECIAL PURPOSE FUNDS						
Adult Basic Education	19,250	-	-	19,250	19,250	-
Bilingual Education	295,561	-	-	295,561	233,988	(61,573)
Virtual Education	54,558	-	-	54,558	40,350	(14,208)
Professional Development	142,410	-	-	142,410	126,788	(15,622)
At Risk (K-12)	5,460,312	-	-	5,460,312	5,460,312	-
At Risk (4 year old)	272,418	-	-	272,418	234,603	(37,815)
Capital Outlay	3,913,298	-	-	3,913,298	2,483,872	(1,429,426)
Driver Training	54,500	-	-	54,500	4,505	(49,995)
Food Service	2,396,912	-	-	2,396,912	2,129,173	(267,739)
Parent Education	221,321	-	-	221,321	184,085	(37,236)
Summer School	21,391	-	-	21,391	5,289	(16,102)
Special Education	6,335,148	-	-	6,335,148	5,717,521	(617,627)
Special Education Cooperative	11,242,636	-	-	11,242,636	8,724,343	(2,518,293)
Career and Postsecondary Education	1,719,306	-	-	1,719,306	1,642,189	(77,117)
KPERS Employer Contribution	4,281,953	-	-	4,281,953	3,974,287	(307,666)
Recreation Commission	1,467,000	-	-	1,467,000	1,467,000	-
Recreation Commission Employee Benefits	475,000	-	-	475,000	475,000	-
BOND AND INTEREST FUND	4,309,100	-	120,900	4,430,000	4,428,800	(1,200)

Unified School District No. 373

General Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
GENERAL				
RECEIPTS				
General state aid	$ 20,003,343	20,910,042	20,598,138	311,904
Special education state aid	3,316,424	3,438,934	3,617,971	(179,037)
State aid reimbursements	159,881	155,072	-	155,072
Fees and other	633,011	661,243	-	661,243
Mineral production tax	-	13	-	13
Total Receipts	24,112,659	25,165,658	24,216,109	949,549
EXPENDITURES, page 17	24,112,659	25,165,645		
Receipts over (under) expenditures	-	13		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	13		

Unified School District No. 373

General Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
EXPENDITURES				
Instruction	8,562,241	7,413,762	9,966,276	(2,552,514)
Student support services	1,298,354	1,253,624	1,371,676	(118,052)
Instructional support staff	624,633	659,180	617,047	42,133
General administration	288,186	320,360	292,448	27,912
School administration	2,226,336	2,300,777	2,168,599	132,178
Other support services	81,886	54,098	62,983	(8,885)
Operations and maintenance	2,321,723	2,398,784	2,078,280	320,504
Student transportation	716,169	742,166	536,897	205,269
Community services	54,717	350	-	350
Transfer to				
Adult Basic Education	19,250	-	-	-
Bilingual Education	95,000	100,000	-	100,000
Virtual Education	29,050	45,700	-	45,700
Professional Development	3,326	135,235	-	135,235
At Risk (K-12)	3,483,828	4,347,605	3,732,874	614,731
At Risk (4 year old)	80,322	293,634	86,792	206,842
Capital Outlay	-	188,625	-	188,625
Parent Education	1,700	13,670	-	13,670
Summer School	-	6,000	-	6,000
Special Education	3,316,424	3,913,780	3,617,971	295,809
Career and Postsecondary Education	909,514	658,177	-	658,177
Contingency Reserve	-	305,000	-	305,000
Textbook and Material Revolving	-	15,118	-	15,118
	24,112,659	25,165,645	24,531,843	633,802
Adjustment to comply with legal max	-	-	(182,867)	182,867
Legal General Fund budget	24,112,659	25,165,645	24,348,976	816,669
Adjustment for qualifying budget credits	-	-	816,669	(816,669)
Total Expenditures	24,112,659	25,165,645	25,165,645	-

Unified School District No. 373

General Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SUPPLEMENTAL GENERAL				
RECEIPTS				
Tax in process	$ 300,029	60,206	93,837	(33,631)
Current tax	2,057,338	2,291,989	2,446,518	(154,529)
Delinquent tax	20,936	38,734	48,380	(9,646)
Motor vehicle tax	311,997	302,440	316,149	(13,709)
Excise tax	1,053	1,154	-	1,154
State aid	4,515,693	4,670,607	4,670,607	-
Total receipts	7,207,046	7,365,130	7,575,491	(210,361)
EXPENDITURES				
Instruction	83,998	96,999	64,556	32,443
Student support services	-	500	-	500
Instructional support staff	434,444	480,121	452,050	28,071
General administration	343,856	378,856	429,798	(50,942)
Other support services	627,160	614,524	630,947	(16,423)
Operations and maintenance	1,412,637	1,500,747	1,309,931	190,816
Transfer to				
Adult Basic Education	-	19,250	13,500	5,750
Bilingual Education	146,348	133,988	240,561	(106,573)
Virtual Education	-	-	23,608	(23,608)
Professional Development	110,000	93,570	-	93,570
At Risk (K-12)	1,134,362	1,159,072	1,026,790	132,282
At Risk (4 year old)	118,695	40,969	135,626	(94,657)
Parent Education	20,000	54,082	25,419	28,663
Special Education	2,210,956	1,868,965	1,868,965	-
Career and Postsecondary Education	470,468	1,035,387	1,361,635	(326,248)
Textbook and Material Revolving	105,256	106,356	-	106,356
Total expenditures	7,218,180	7,583,386	7,583,386	-
Receipts over (under) expenditures	(11,134)	(218,256)		
UNENCUMBERED CASH, beginning	335,820	324,686		
UNENCUMBERED CASH, ending	$ 324,686	106,430		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
ADULT BASIC EDUCATION				
RECEIPTS				
Transfer from				
General	$ 19,250	-	-	-
Supplemental General	-	19,250	13,500	5,750
Total receipts	19,250	19,250	13,500	5,750
EXPENDITURES				
Instruction	19,250	19,250	19,250	-
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	25,000	25,000		
UNENCUMBERED CASH, ending	$ 25,000	25,000		
BILINGUAL EDUCATION				
RECEIPTS				
Other revenue from local source	$ -	-	50,000	(50,000)
Transfer from				
General	95,000	100,000	-	100,000
Supplemental General	146,348	133,988	240,561	(106,573)
Total receipts	241,348	233,988	290,561	(56,573)
EXPENDITURES				
Instruction	241,348	233,988	295,561	(61,573)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	100,000	100,000		
UNENCUMBERED CASH, ending	$ 100,000	100,000		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
VIRTUAL EDUCATION				
RECEIPTS				
Other revenue from local source	$ -	-	25,000	(25,000)
Transfer from				
General	29,050	45,700	-	45,700
Supplemental General	-	-	23,608	(23,608)
Total receipts	29,050	45,700	48,608	(2,908)
EXPENDITURES				
Instruction	29,050	40,350	54,558	(14,208)
Receipts over (under) expenditures	-	5,350		
UNENCUMBERED CASH, beginning	35,000	35,000		
UNENCUMBERED CASH, ending	$ 35,000	40,350		
PROFESSIONAL DEVELOPMENT				
RECEIPTS				
State aid	$ -	-	36,324	(36,324)
Transfer from				
General	3,326	135,235	-	135,235
Supplemental General	40,555	93,570	-	93,570
Total receipts	43,881	228,805	36,324	192,481
EXPENDITURES				
Instructional staff support	18,988	104,523	125,447	(20,924)
School administration	7,496	22,265	16,963	5,302
Total expenditures	26,484	126,788	142,410	(15,622)
Receipts over (under) expenditures	17,397	102,017		
UNENCUMBERED CASH, beginning	117,337	134,734		
UNENCUMBERED CASH, ending	$ 134,734	236,751		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
AT RISK (K-12)				
RECEIPTS				
Other local source	$ -	-	150,000	(150,000)
Miscellaneous	9,765	3,635	9,000	(5,365)
Transfer from				
General	3,483,828	4,347,605	3,732,874	614,731
Supplemental General	1,183,807	1,159,072	1,026,790	132,282
Total receipts	4,677,400	5,510,312	4,918,664	591,648
EXPENDITURES				
Instruction	4,423,101	5,203,744	5,201,565	2,179
Student support services	117,831	120,299	119,893	406
School administration	134,847	136,269	137,202	(933)
Student transportation services	1,621	-	1,652	(1,652)
Total expenditures	4,677,400	5,460,312	5,460,312	-
Receipts over (under) expenditures	-	50,000		
UNENCUMBERED CASH, beginning	250,000	250,000		
UNENCUMBERED CASH, ending	$ 250,000	300,000		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
AT RISK (4 Year Old)				
RECEIPTS				
Other local source	$ -	-	50,000	(50,000)
Transfer from				
General	80,322	293,634	86,792	206,842
Supplemental General	138,695	40,969	135,626	(94,657)
Total receipts	219,017	334,603	272,418	62,185
EXPENDITURES				
Instruction	173,978	187,315	226,589	(39,274)
Student support services	5,812	7,665	5,915	1,750
Instructional staff support	71	-	71	(71)
School administration	36,009	33,780	36,640	(2,860)
Student transportation	304	-	311	(311)
Other supplemental services	2,843	5,843	2,892	2,951
Total expenditures	219,017	234,603	272,418	(37,815)
Receipts over (under) expenditures	-	100,000		
UNENCUMBERED CASH, beginning	100,000	100,000		
UNENCUMBERED CASH, ending	$ 100,000	200,000		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
CAPITAL OUTLAY				
RECEIPTS				
Tax in process	$ 173,718	35,576	55,126	(19,550)
Current tax	1,226,250	1,399,727	1,329,119	70,608
Delinquent tax	11,589	22,197	28,738	(6,541)
Motor vehicle tax	181,403	178,644	187,314	(8,670)
Excise tax	607	682	-	682
Capital outlay state aid	801,586	881,101	881,101	-
Interest	8,130	325,796	11,589	314,207
Safety and security grant	151,471	-	-	-
Insurance proceeds	1,036,338	-	-	-
Other local source	85,868	100,163	8,130	92,033
Transfer from General	-	188,625	-	188,625
Total receipts	3,676,960	3,132,511	2,501,117	631,394
EXPENDITURES				
Instruction	690,647	758,879	385,750	373,129
Instructional support services	249,689	172,749	250,000	(77,251)
Student support services	20,777	26,312	1,444,760	(1,418,448)
School administration	573,281	270,338	700,000	(429,662)
Operations and maintenance	823,149	185,142	-	185,142
Other support services	371,089	355,214	372,000	(16,786)
Transportation	144,405	140,148	144,500	(4,352)
Facilities acquisition and construction	867,368	575,090	616,288	(41,198)
Total expenditures	3,740,405	2,483,872	3,913,298	(1,429,426)
Receipts over (under) expenditures	(63,445)	648,639		
UNENCUMBERED CASH, beginning	1,252,671	1,189,226		
UNENCUMBERED CASH, ending	$ 1,189,226	1,837,865		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
DRIVER TRAINING				
RECEIPTS				
State aid	$ -	-	13,500	(13,500)
EXPENDITURES				
Instruction	-	-	44,000	(44,000)
Student support services	3,516	4,505	10,500	(5,995)
Total expenditures	3,516	4,505	54,500	(49,995)
Receipts over (under) expenditures	(3,516)	(4,505)		
UNENCUMBERED CASH, beginning	44,622	41,106		
UNENCUMBERED CASH, ending	$ 41,106	36,601		
FOOD SERVICE				
RECEIPTS				
Federal aid	$ 1,950,435	1,411,049	1,214,273	196,776
State aid	15,242	15,737	14,074	1,663
Meal sales	90,316	501,992	502,856	(864)
Other	39,650	48,976	30,000	18,976
Total receipts	2,095,643	1,977,754	1,761,203	216,551
EXPENDITURES				
Salaries and benefits	855,880	977,361	869,934	107,427
Food and supplies	773,930	843,039	853,262	(10,223)
Capital outlay and other	129,482	252,531	121,620	130,911
Operations and maintenance	72,804	56,242	552,096	(495,854)
Indirect expenditures	119,634	-	-	-
Total expenditures	1,951,730	2,129,173	2,396,912	(267,739)
Receipts over (under) expenditures	143,913	(151,419)		
UNENCUMBERED CASH, beginning	491,795	635,708		
UNENCUMBERED CASH, ending	$ 635,708	484,289		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
PARENT EDUCATION				
RECEIPTS				
Federal aid	$ 19,361	-	-	-
State aid	84,268	83,737	104,693	(20,956)
Other district contributions	34,899	57,712	36,271	21,441
Other	-	-	50,000	(50,000)
Transfer from				
General	1,700	13,670	-	13,670
Supplemental General	20,000	54,082	25,419	28,663
Total receipts	160,228	209,201	216,383	(7,182)
EXPENDITURES				
Student support services				
Instruction	158,613	177,213	215,821	(38,608)
Instructional staff support	3,433	4,872	3,500	1,372
School administration	2,000	2,000	2,000	-
Total Expenditures	164,046	184,085	221,321	(37,236)
Receipts over (under) expenditures	(3,818)	25,116		
UNENCUMBERED CASH, beginning	32,784	28,966		
UNENCUMBERED CASH, ending	$ 28,966	54,082		
SUMMER SCHOOL				
RECEIPTS				
Student fees	$ 11,545	10,811	11,000	(189)
Transfer from General	-	6,000	-	6,000
Total receipts	11,545	16,811	11,000	5,811
EXPENDITURES				
Instruction	10,632	5,289	21,391	(16,102)
Receipts over (under) expenditures	913	11,522		
UNENCUMBERED CASH, beginning	9,478	10,391		
UNENCUMBERED CASH, ending	$ 10,391	21,913		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL EDUCATION				
RECEIPTS				
Medicaid	$ 187,520	171,441	150,000	21,441
ESSER II	13,858	-	-	-
Other	-	-	250,000	(250,000)
Transfer from				
General	3,316,424	3,913,780	3,617,971	295,809
Supplemental General	2,210,956	1,868,965	1,868,965	-
Total receipts	5,728,758	5,954,186	5,886,936	67,250
EXPENDITURES				
Instruction	73,275	53	250,000	(249,947)
Student transportation services	8,647	7,961	-	7,961
Operations and maintenance	121,553	254,080	243,106	10,974
Other transportation services	17,947	25,303	24,532	771
Transfer to				
Special Education Cooperative	5,554,214	5,430,124	5,817,510	(387,386)
Total expenditures	5,775,636	5,717,521	6,335,148	(617,627)
Receipts over (under) expenditures	(46,878)	236,665		
UNENCUMBERED CASH, beginning	624,740	577,862		
UNENCUMBERED CASH, ending	$ 577,862	814,527		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL EDUCATION COOPERATIVE				
RECEIPTS				
Federal aid	$ 973,812	744,086	1,202,683	(458,597)
Federal aid - ESSER I	48,983	-	-	-
Medicaid reimbursements	202,973	36,153	340,119	(303,966)
Other district contributions	2,225,869	2,100,449	2,061,564	38,885
Other income	21,649	22,803	23,085	(282)
Transfer from Special Education	5,554,214	5,430,124	5,538,436	(108,312)
Total receipts	9,027,500	8,333,615	9,165,887	(832,272)
EXPENDITURES				
Instruction	6,332,760	6,516,628	8,851,012	(2,334,384)
Student support services	1,729,334	1,753,928	1,972,718	(218,790)
Instructional staff support	10,388	23,552	29,500	(5,948)
General administration	334,184	343,229	318,335	24,894
School administration	23,152	23,365	22,571	794
Operation and maintenance	14,195	19,962	13,500	6,462
Student transportation	2,404	18,679	10,000	8,679
Other supplemental services	25,000	25,000	25,000	-
Total expenditures	8,471,417	8,724,343	11,242,636	(2,518,293)
Receipts over (under) expenditures	556,083	(390,728)		
UNENCUMBERED CASH, beginning	1,520,666	2,076,749		
UNENCUMBERED CASH, ending	$ 2,076,749	1,686,021		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
CAREER AND POSTSECONDARY EDUCATION				
RECEIPTS				
Tuition	$ 83,514	56,715	84,000	(27,285)
Federal vocational grant	27,290	54,913	30,983	23,930
Other local sources	221	576	-	576
Miscellaneous	-	-	100,000	(100,000)
Transfer from				
General	909,514	658,177	-	658,177
Supplemental General	470,468	1,035,387	1,361,635	(326,248)
Total receipts	1,491,007	1,805,768	1,576,618	229,150
EXPENDITURES				
Instruction	1,398,268	1,442,952	1,401,522	41,430
Student support services	1,895	2,275	101,900	(99,625)
Instructional staff support	51,987	61,511	43,131	18,380
School administration	104,564	92,433	126,658	(34,225)
General administration	6,355	7,866	6,695	1,171
Operations and maintenance	39,324	35,152	39,400	(4,248)
Total expenditures	1,602,393	1,642,189	1,719,306	(77,117)
Receipts over (under) expenditures	(111,386)	163,579		
UNENCUMBERED CASH, beginning	254,075	142,689		
UNENCUMBERED CASH, ending	$ 142,689	306,268		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
KPERS EMPLOYER CONTRIBUTION				
RECEIPTS				
State aid	$ 3,964,771	3,974,287	4,281,953	(307,666)
EXPENDITURES				
Instruction	2,573,929	2,581,966	2,710,000	(128,034)
Student support services	405,993	399,844	506,000	(106,156)
Instructional support services	131,234	131,755	140,000	(8,245)
General administration	95,947	94,629	100,258	(5,629)
School administration	294,979	292,796	340,000	(47,204)
Other supplemental services	84,450	84,446	90,000	(5,554)
Operations and maintenance	193,481	196,216	200,000	(3,784)
Student transportation services	80,881	83,966	90,000	(6,034)
Food service operations	103,877	104,230	105,695	(1,465)
Community service operations	-	4,439	-	4,439
Total expenditures	3,964,771	3,974,287	4,281,953	(307,666)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

Unified School District No. 373

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECREATION COMMISSION				
RECEIPTS				
Tax in process	$ 134,844	32,093	14,589	17,504
Current tax	1,114,319	1,318,700	1,249,117	69,583
Delinquent tax	9,890	19,595	7,556	12,039
Motor vehicle tax	139,920	147,728	112,299	35,429
Excise tax	464	533	-	533
Total receipts	1,399,437	1,518,649	1,383,561	135,088
EXPENDITURES				
Appropriation to Recreation Commission	1,383,000	1,467,000	1,467,000	-
Receipts over (under) expenditures	16,437	51,649		
UNENCUMBERED CASH, beginning	76,768	93,205		
UNENCUMBERED CASH, ending	$ 93,205	144,854		
RECREATION COMMISSION EMPLOYEE BENEFITS				
RECEIPTS				
Tax in process	$ 42,742	9,389	14,611	(5,222)
Current tax	323,999	400,964	379,711	21,253
Delinquent tax	2,716	5,615	7,545	(1,930)
Motor vehicle tax	44,844	45,935	47,947	(2,012)
Excise tax	148	173	-	173
Total receipts	414,449	462,076	449,814	12,262
EXPENDITURES				
Appropriation to Recreation Commission	410,000	475,000	475,000	-
Receipts over (under) expenditures	4,449	(12,924)		
UNENCUMBERED CASH, beginning	22,422	26,871		
UNENCUMBERED CASH, ending	$ 26,871	13,947		

Unified School District No. 373

Special Purpose Funds

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	2023
CONTINGENCY RESERVE		
RECEIPTS		
Transfer from General	$ -	305,000
EXPENDITURES		
Instruction	-	121,393
Receipts over (under) expenditures	-	183,607
UNENCUMBERED CASH, beginning	868,396	868,396
UNENCUMBERED CASH, ending	$ 868,396	1,052,003
TEXTBOOK AND MATERIAL REVOLVING		
RECEIPTS		
Fees and other	$ 129,724	156,889
Transfer from		
General	-	15,118
Supplemental General	105,256	106,356
Total receipts	234,980	278,363
EXPENDITURES		
Instruction	309,056	108,138
Receipts over (under) expenditures	(74,076)	170,225
UNENCUMBERED CASH, beginning	218,180	144,104
UNENCUMBERED CASH, ending	$ 144,104	314,329
EMPLOYER FIXED CHARGES		
RECEIPTS		
Other income	$ 132,105	180,386
EXPENDITURES		
Workers compensation insurance	38,673	403,846
Receipts over (under) expenditures	93,432	(223,460)
UNENCUMBERED CASH, beginning	148,877	242,309
UNENCUMBERED CASH, ending	$ 242,309	18,849

Unified School District No. 373

Special Purpose Funds

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	2023
FEDERAL AND STATE GRANT PROGRAMS		
HEAD START		
RECEIPTS		
Federal aid	$ 1,102,899	1,052,435
EXPENDITURES		
Instruction	749,416	881,827
Student support services	146,376	175,888
Instructional support	6,398	5,554
School administration	96,505	101,249
Other support services	14,982	27,755
Student transportation	43,181	19,622
Food service	46,041	49,127
Total expenditures	1,102,899	1,261,022
Receipts over (under) expenditures	-	(208,587)
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	(208,587)
IMPROVING BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES (TITLE I)		
RECEIPTS		
Federal aid	$ 634,668	755,471
EXPENDITURES		
Instruction	687,537	646,018
Instructional support	3,431	12,487
Total expenditures	690,968	658,505
Receipts over (under) expenditures	(56,300)	96,966
UNENCUMBERED CASH, beginning	(12,961)	(69,261)
UNENCUMBERED CASH, ending	$ (69,261)	27,705

Unified School District No. 373

Special Purpose Funds

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	2023
FEDERAL AND STATE GRANT PROGRAMS		
SUPPORTING EFFECTIVE INSTRUCTION (TITLE II)		
RECEIPTS		
Federal aid	$ 96,857	120,407
EXPENDITURES		
Instruction	2,413	41,591
Instructional support	143,037	48,010
Total expenditures	145,450	89,601
Receipts over (under) expenditures	(48,593)	30,806
UNENCUMBERED CASH, beginning	15,765	(32,828)
UNENCUMBERED CASH, ending	$ (32,828)	(2,022)
ENGLISH LANGUAGE ACQUISITION (TITLE III)		
RECEIPTS		
Federal aid	$ 9,816	21,835
EXPENDITURES		
Instruction	17,832	13,786
Instructional support	-	3,197
Total expenditures	17,832	16,983
Receipts over (under) expenditures	(8,016)	4,852
UNENCUMBERED CASH, beginning	3,164	(4,852)
UNENCUMBERED CASH, ending	$ (4,852)	-

Unified School District No. 373

Special Purpose Funds

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	2023
FEDERAL AND STATE GRANT PROGRAMS		
STUDENT SUPPORT & ACADEMIC ENRICHMENT		
PROGRAM (TITLE IV)		
RECEIPTS		
Federal aid	$ 44,138	17,237
EXPENDITURES		
Instruction	40,519	34,916
Instructional support	3,070	-
Total expenditures	43,589	34,916
Receipts over (under) expenditures	549	(17,679)
UNENCUMBERED CASH, beginning	(549)	-
UNENCUMBERED CASH, ending	$ -	(17,679)
ELEMENTARY SECONDARY SCHOOL		
EMERGENCY RELIEF (ESSER I)		
RECEIPTS		
Federal aid	$ 21,886	-
EXPENDITURES		
Instruction	-	1,582
Receipts over (under) expenditures	21,886	(1,582)
UNENCUMBERED CASH, beginning	(21,886)	-
UNENCUMBERED CASH, ending	$ -	(1,582)

Unified School District No. 373

Special Purpose Funds

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	2023
FEDERAL AND STATE GRANT PROGRAMS		
ELEMENTARY SECONDARY SCHOOL		
EMERGENCY RELIEF (ESSER II)		
RECEIPTS		
Federal aid	$ 991,173	-
EXPENDITURES		
Instruction	765,226	129,136
Student support services	8,191	9,335
Instructional support	272,800	54,312
School administration	56,007	37,902
Operations and maintenance	10,721	-
Equipment	-	69,450
Total expenditures	1,112,945	300,135
Receipts over (under) expenditures	(121,772)	(300,135)
UNENCUMBERED CASH, beginning	-	(121,772)
UNENCUMBERED CASH, ending	$ (121,772)	(421,907)
ELEMENTARY SECONDARY SCHOOL		
EMERGENCY RELIEF (ESSER III)		
RECEIPTS	$ -	-
EXPENDITURES		
Instruction	-	798,688
Student support services	-	392,916
Instructional support	-	182,158
School administration	-	21,274
Total expenditures	-	1,395,036
Receipts over (under) expenditures	-	(1,395,036)
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	(1,395,036)

Unified School District No. 373

Special Purpose Funds

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	2023
FEDERAL AND STATE GRANT PROGRAMS		
ARP HOMELESS GRANT		
RECEIPTS	$ -	-
EXPENDITURES		
School administration	-	18,412
Receipts over (under) expenditures	-	(18,412)
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	(18,412)
KDHE COVID TESTING GRANT		
RECEIPTS		
Federal aid	$ 115,210	238,982
EXPENDITURES		
Other support services	115,210	207,515
Equipment	-	423,660
Total expenditures	115,210	631,175
Receipts over (under) expenditures	-	(392,193)
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	(392,193)

Unified School District No. 373

Bond and Interest Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
BOND AND INTEREST				
RECEIPTS				
Tax in process	$ 243,885	52,892	82,328	(29,436)
Current tax	1,821,803	2,053,033	1,950,347	102,686
Delinquent tax	16,661	32,671	42,501	(9,830)
Motor vehicle tax	254,318	257,000	268,330	(11,330)
Excise tax	848	961	-	961
State aid	2,410,887	2,509,890	2,542,369	(32,479)
Transfer from Bond Issuance	-	120,900	-	120,900
Total receipts	4,748,402	5,027,347	4,885,875	141,472
EXPENDITURES				
Principal	3,860,000	4,085,000	3,965,000	120,000
Interest	445,156	343,800	344,100	(300)
	4,305,156	4,428,800	4,309,100	119,700
Adjustment for qualifying budget credits	-	-	120,900	(120,900)
Total expenditures	4,305,156	4,428,800	4,430,000	(1,200)
Receipts over (under) expenditures	443,246	598,547		
UNENCUMBERED CASH, beginning	4,905,321	5,348,567		
UNENCUMBERED CASH, ending	$ 5,348,567	5,947,114		

Unified School District No. 373

Capital Project 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	2023
BOND ISSUANCE		
RECEIPTS		
Bond proceeds	$ -	8,195,000
Bond premium		471,186
Interest	-	48,996
Total receipts	-	8,715,182
EXPENDITURES		
Construction costs	-	4,096,770
Cost of issuance	-	175,820
Transfer to Bond and Interest	-	120,900
Total expenditures	-	4,393,490
Receipts over (under) expenditures	-	4,321,692
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	4,321,692

Unified School District No. 373

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2023

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
STUDENT ORGANIZATIONS				
Newton High School				
AD Food Club-Food 4 Life	$ 3,133	-	-	3,133
Art Club	683	1,810	1,790	703
Auto Mechanics	1,864	-	-	1,864
Auto Mechanics VICA	1,903	771	2,293	381
Azteca	40	-	35	5
Azteca Dance Troupe	66	200	221	45
Broadcasting	101	-	-	101
Brothers & Sisters For Life	31	-	-	31
BTC Weld VICA	1,025	2,301	2,556	770
Business Professionals of America	1,242	11,064	11,583	723
BPA Printing-Railer Ink	267	-	-	267
BPA Train Stop Store	402	-	-	402
Cheerleaders Special	2,713	16,680	19,393	-
Chemistry/Physics	403	239	313	329
Circle of Friends	2,146	4,139	3,392	2,893
Class of 2023	3,135	8,664	6,957	4,842
CTE Scholarships	500	-	-	500
Debate	983	1,498	2,481	-
E Sports	1,665	2,872	3,502	1,035
D.E.C.A.	8,679	-	8,582	97
EPC Greenhouse	483	16	-	499
ELP Contests	174	-	-	174
F.C.A.	214	-	-	214
F.E.A.	131	-	-	131
F.F.A.	9,972	56,459	58,385	8,046
F.F.A. Vending	1,285	2,860	1,020	3,125
F.F.A. Ag Academy	978	1,391	1,426	943
F.C.C.L.A.	156	-	-	156
Forensics	381	1,309	1,690	-
French Club	210	1,594	598	1,206
French Club Honor Society	94	210	166	138
German Club	108	4,037	3,535	610
German Club Honor Society	-	446	446	-
G.S.A.	117	11	128	-

Unified School District No. 373

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2023

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
STUDENT ORGANIZATIONS (Continued)				
HIRE-Helping Individual Reach	$ 45	-	-	45
Hobby Club	323	-	-	323
H.O.S.A.	634	13,528	2,360	11,802
Job for Americas' Graduates	37	3	40	-
Jazz Club	1,509	1,696	1,212	1,993
Laser Works-Markit	1,107	-	-	1,107
Law Enforcement (LERO)	1,709	-	-	1,709
M & M Railer Embroidery	690	340	157	873
Model U.N.	74	-	-	74
Multi-Racial Students Racial Justice	1,414	83	480	1,017
National Honor Society	2,301	4,698	3,783	3,216
Nutrition Advisory Council	48	-	-	48
OFACS	4	-	-	4
Project Lead the Way	1,685	180	1,120	745
Railer Ambassadors	977	-	-	977
Railer Designs	105	-	-	105
Railiners Special	3,707	12,859	12,765	3,801
Railrooters/Do Crew Pep Club	1,368	-	-	1,368
Rotary Interact Club	1,113	-	-	1,113
Scholars Bowl	2,591	4,500	2,839	4,252
SOSO-Student Owned Student	27	-	-	27
Spanish Club	127	34	161	-
Spanish Club Honor Society	10	230	217	23
Student Council	3,545	5,337	6,359	2,523
Student Athlete Letter Jacket/PFP	94	-	-	94
Thespians	24	7,418	7,088	354
Tri-M Society	81	604	497	188
V.I.C.A. Machine	1,790	655	377	2,068
WE	2,163	2,947	1,049	4,061
We Can	357	1,696	1,845	208
Young Entrepreneurs of Kansas	153	318	427	44
Weight Room Equipment	170	-	-	170
	75,266	175,697	173,268	77,695

Unified School District No. 373

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended June 30, 2023

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
STUDENT ORGANIZATIONS (Continued)				
Santa Fe Middle School				
Book fair	$ 39	-	-	39
Yearbook	2	-	-	2
Walmart grant	584	-	-	584
	625	-	-	625
Chisholm Middle School				
Book fair	13	-	-	13
Yearbook	2,237	3,562	4,004	1,795
Student Council	5,032	3,097	3,280	4,849
Social	4	310	205	109
	7,286	6,969	7,489	6,766
Total Student Organizations	83,177	182,666	180,757	85,086
High School Activity Sales Tax	200	24,383	24,583	-
Pension Trust	3,256	486,350	486,634	2,972
Gift Funds	396,211	335,795	191,141	540,865
Total Agency Funds	$ 482,844	1,029,194	883,115	628,923

Unified School District No. 373

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
ACTIVITY GATE RECEIPTS						
Newton High School	$ 65,112	372,489	366,436	71,165	-	71,165
SCHOOL PROJECTS						
Santa Fe Middle School						
Miscellaneous	2,171	20	750	1,441	-	1,441
Chisholm Middle School						
Pencil Machine	340	13	-	353	-	353
Pride Squad	308	-	-	308	-	308
Concessions	1,174	5,728	5,240	1,662	-	1,662
Miscellaneous	224	3,192	2,359	1,057	-	1,057
Newton High School						
Fund Raising	1,254	2,039	2,061	1,232	-	1,232
Staff Issues	914	12,111	8,967	4,058	-	4,058
American Red Cross Donations	200	1,000	1,200	-	-	-
Student of the Week	-	900	605	295	-	295
Art Booster	1,440	-	18	1,422	-	1,422
Band Booster	1,258	-	1,125	133	-	133
Drama Booster	1,010	-	990	20	-	20
Orchestra Booster	1,373	-	-	1,373	-	1,373
Vocal Booster	1,393	-	-	1,393	-	1,393
Concessions	5,592	62,495	66,280	1,807	-	1,807
Faculty Flower	135	395	125	405	-	405
FABC Supplemental	969	-	-	969	-	969
Railer Boxcart	5,250	683	3,965	1,968	-	1,968
State Assessment	224	-	-	224	-	224
Milk Vending	1,000	-	381	619	-	619
Vocal Vending	1	-	-	1	-	1
Wrestling Vending	3,269	18,866	12,023	10,112	-	10,112
Fine Arts Technology Special	237	-	-	237	-	237
Special Revolving Accounts	(12,683)	1,017	717	(12,383)	-	(12,383)
Total school projects	$ 17,053	108,459	106,806	18,706	-	18,706

UNIFIED SCHOOL DISTRICT NO. 373

OTHER SUPPLEMENTARY INFORMATION

SINGLE AUDIT SECTION

FOR THE YEAR ENDED JUNE 30, 2023

Knudsen Monroe & Company LLC

512 N. Main St, Newton, Kansas 67114-2229 316 283-5366 • 316 283-8379 Fax

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

Board of Education
Unified School District No. 373
Newton, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (financial statement) of Unified School District No. 373, Newton Kansas (District), as of and for the year ended June 30, 2023, and the related disclosures to the financial statement, and have issued our report thereon dated December 13, 2023. Our 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 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 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.

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

Report on 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 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.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 13, 2023

Knudsen Monroe & Company LLC

512 N. Main St, Newton, Kansas 67114-2229 316 283-5366 • 316 283-8379 Fax

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 No. 373
Newton, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 373, Newton, Kansas' (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; 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*, 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 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, 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.

Knudson, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
December 13, 2023

Unified School District No. 373

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture			
Passed through Kansas Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	D0373	$ 237,717
National School Lunch Program	10.555	D0373	950,114
National School Lunch Program Supply Chain Assistance	10.555	D0373	94,043
Summer Food Service Program for Children	10.559	D0373	129,175
Total U.S. Department of Agriculture			**1,411,049**
U.S. Department of Education			
Passed through Kansas Department of Education			
Special Education Cluster (IDEA)			
Special Education, Grants to States, IDEA Part B	84.027	D0373	565,915
Special Education, Preschool Grants	84.173	D0373	34,977
Total Special Education Cluster (IDEA)			600,892
Career and Technical Education - Basic Grants to States	84.048	D0373	37,392
Grants to Local Educational Agencies, Title I	84.010	D0373	658,505
Supporting Effective Instruction, Title II	84.367	D0373	89,601
English Language Acquisition, Title III	84.365	D0373	16,983
Student Support Academic Enrichment Program	84.424A	D0373	34,916
Education Stabilization Fund			
COVID-19 Elementary and Secondary School Emergency Relief Fund I	84.425	D0373	1,582
COVID-19 Elementary and Secondary School Emergency Relief Fund II	84.425D	D0373	300,135
COVID-19 Elementary and Secondary School Emergency Relief ARP	84.425U	D0373	1,395,036
COVID-19 Elementary and Secondary School Emergency Relief Homeless Children and Youth	84.425W	D0373	18,412
Total Education Stabilization Fund			1,715,165
Passed through Kansas Department of Health & Environment:			
Grants for Infant & Families	84.181	D0373	143,194
Total U.S. Department of Education			**3,296,648**
U.S. Department of Health and Human Services			
Head Start	93.600		1,261,022
Passed through Kansas Department of Health & Environment:			
Epidemiology and Laboratory Capacity for Infectious Diseases			
K-12 COVID Testing Grant	93.323	D0373	631,175
Total U.S. Department of Health and Human Services			**1,892,197**
Total Expenditures of Federal Awards			**$ 6,599,894**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Unified School District No. 373

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Unified School District No. 373, Newton, Kansas (District) under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position 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.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

C. INDIRECT COST RATE

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

Unified School District No. 373

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified (Regulatory Basis) Adverse - GAAP
Internal control over financial reporting:	
Material weakness(es) identified?	____ Yes X No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	____ Yes X No
Noncompliance material to financial statement noted?	____ Yes X No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	____ Yes X No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	____ Yes X No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes X No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.600	Head Start
84.425	COVID 19 - Education Stabilization Fund

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

Section II - Financial Statement Findings

There were no reportable findings.

Section III - Federal Award Findings and Questioned Costs

There were no reportable findings.