INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER

Ozawkie, Kansas

Independent Auditors' Reports and
Financial Statement with
Supplementary Information

For the Fiscal Year Ended June 30, 2022

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Education
Interlocal No. 608
Northeast Kansas Education Service Center
Ozawkie, Kansas

Adverse and Unmodified Opinion
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Interlocal No. 608 Northeast Kansas Education Service Center, Ozawkie, Kansas, a municipality, as of and for the year ended June 30, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinion 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 Interlocal as of June 30, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Interlocal as of June 30, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinion
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 Interlocal, 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 Interlocal 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 Interlocal'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 opinion. 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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal'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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The schedule of receipts and expenditures – actual and budget -regulatory basis for each individual fund and the schedule of regulatory basis receipts and disbursements-regulatory basis-agency funds (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial

statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Interlocal No. 608 Northeast Kansas Education Service Center as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated January 18, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 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/oar/municipalservices. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2022 (Schedule 1 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2021 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 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 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, 2021, 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 February 11, 2023, on our consideration of the Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center's internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
February 11, 2023

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balances	Prior Year Cancelled Encumbrance	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2022
General	$ 1,260,295.16	$ 3,403.26	$ 8,978,315.11	$ 8,753,197.37	$ 1,488,816.16	$ 794,781.22	$ 2,283,597.38
Special Purpose Funds:							
Professional Development	-	-	6,526.15	6,526.15	-	-	-
Regional Service Center	363,201.77	1,134.42	413,550.20	306,967.83	470,918.56	27,507.85	498,426.41
Technology Support Services	7,543.41	-	158,273.41	165,816.82	-	13,177.88	13,177.88
Marshall County Tiny K	215,598.69	-	328,239.98	335,243.83	208,594.84	74,567.98	283,162.82
Parents as Teachers	129,404.07	-	860,108.65	846,839.44	142,673.28	105,902.59	248,575.87
Kansas Instructional Support State and Local	1,705,748.76	-	622,903.70	461,256.52	1,867,395.94	180,551.62	2,047,947.56
Alternative School - JDLA	-	-	118,139.10	117,682.70	456.40	13,777.23	14,233.63
Kansas Individualized Data System for Students (KIDSS)	-	-	110,706.42	110,706.42	-	10,151.42	10,151.42
Continuous Improvement	-	-	42,460.00	42,460.00	-	11,929.01	11,929.01
Medicaid	225,000.00	-	33,413.33	-	258,413.33	-	258,413.33
Infant/Toddler Program	523,415.16	-	813,982.03	790,346.97	547,050.22	4,013.72	551,063.94
Operations and Facilities	-	-	7,424.78	7,424.78	-	445.21	445.21
ATBS Stickle 2021 - 2025 Grant	(441,646.05)	580.90	2,017,768.57	1,876,067.58	(299,364.16)	369.37	(298,994.79)
Kansas Math Proficiency Grant	-	-	59,325.00	139,650.00	(80,325.00)	-	(80,325.00)
MTSS 2021 - 2025	(623,234.93)	-	3,121,107.55	3,281,951.85	(784,079.23)	208,226.49	(575,852.74)
MTSS State and Local	2,409,936.86	-	-	97,896.85	2,312,040.01	21,080.39	2,333,120.40

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

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

Funds	Beginning Unencumbered Cash Balances	Prior Year Cancelled Encumbrance	Receipts	Expenditures	Ending Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	Ending Cash Balances June 30, 2022
Special Purpose Funds: (Continued)							
GSTAD Berens Grant	$ -	$ -	$ -	$ -	$ -	$ -	$ -
GSTAD Berens 2021 - 2025 Grant	(289,263.09)	-	847,730.36	793,004.71	(234,537.44)	91,066.16	(143,471.28)
GSTAD Local	24,995.62	-	1,373.09	62.05	26,306.66	62.05	26,368.71
TASN Coordination Local Grant	1,856.20	-	4,419.92	1,856.20	4,419.92	-	4,419.92
TASN Grant	-	-	15,874.34	15,874.34	-	200.00	200.00
SMHI State Prof Dev Grant Year 4	(401,325.12)	-	793,680.67	392,355.55	-	-	-
SMHI State Prof Dev Grant Year 5	-	-	457,760.01	681,713.71	(223,953.70)	90,368.29	(133,585.41)
SMHI State Prof Dev Grant Local	7,002.50	-	-	270.00	6,732.50	-	6,732.50
CLIA KDHE Grant	-	-	56,714.00	74,004.79	(17,290.79)	100.00	(17,190.79)
Elementary and Secondary School Emergency Relief II	(14,672.66)	-	204,891.87	246,634.74	(56,415.53)	3,003.30	(53,412.23)
Food Service and Catering	-	-	51,914.10	41,658.82	10,255.28	4,937.43	15,192.71
Total Reporting Entity	$ 5,103,856.35	$ 5,118.58	$ 20,126,602.34	$ 19,587,470.02	$ 5,648,107.25	$ 1,656,219.21	$ 7,304,326.46

Composition of Cash	
Cash on Hand	$ 8.38
Petty Cash	1,500.00
Checking	3,929,327.17
Money Market Account	2,073,560.58
Certificates of Deposit	1,300,000.00
Total Cash	7,304,396.13
Less Agency Funds per Schedule 2	(69.67)
Total Reporting Entity	$ 7,304,326.46

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

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas

Notes to the Financial Statement
For the Fiscal Year Ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of Interlocal No. 608, Northeast Kansas Education Service Center, Ozawkie, Kansas (the Interlocal), have been prepared in order to show compliance with the cash basis laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Interlocal's accounting policies follow. Note 1 describes how the Interlocal's accounting policies differ from accounting principles generally accepted in the United States of America.

Financial Reporting Entity

The Interlocal is an Interlocal agency organized pursuant to K.S.A. 72-8230 and is governed by an appointed eight-member board. The board consists of members of participating Unified School District's Boards. Those Districts are USD No.'s 338, 339, 340, 341, 342, 343, 377, and 449.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the Interlocal exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the Interlocal. Related municipal entities are not required to be included in the Interlocal's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG).

The Interlocal has determined that no outside agency meets the above criteria and, therefore, no outside agency has been included as a related municipal entity in this financial statement.

Regulatory Basis Fund Types

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation – Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues 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 municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as revenues. In the financial statement and budget comparison schedules presented in this report, reimbursements and refunds are recorded as revenues. The reimbursements are recorded as cash receipts when received by the Interlocal Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Pension Plan

Substantially all full-time Interlocal employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. The Interlocal's policy is the State of Kansas will fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

All budgets are prepared for internal use only, therefore, expenditures exceeding budgeted amounts do not constitute a violation in accordance with Kansas statutes.

Statement 1 has been prepared in order to show compliance with the cash basis laws of Kansas. As shown in Statement 1, the Interlocal was in apparent violation of K.S.A. 10-1113. The Interlocal has obligated expenditures in excess of available monies in the ATBS Stickle 2021 – 2025 Grant Fund, Kansas Math Proficiency Grant Fund, MTSS 2021 – 2025 Fund, GSTAD Berens 2021 – 2025 Grant Fund, SMHI State Professional Development Grant Year 5 Fund, CLIA KDHE Grant Fund, and the Elementary and Secondary School Emergency Relief II Fund. However, K.S.A 10-1116 provides that under certain situations, the fund can end the year with a negative unencumbered cash balance and therefore, exempt from the cash basis laws of the State of Kansas. The funds all met the criteria under the statutes and therefore, are not deemed to be in violation of the Kansas cash basis laws.

3. DEPOSITS AND INVESTMENTS

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

K.S.A 12-1675 limits the Interlocal'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 Interlocal has no investment policy that would further limit its investment choices.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Interlocal's deposits may not be returned to it. State statutes require the Interlocal'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, 2022.

At year-end, the Interlocal's carrying amount of deposits was $7,304,387.75, and the bank balance was $7,102,250.19. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $250,061.29 was covered by FDIC insurance and $6,852,188.90 was collateralized with securities held by the pledging financial institution's agents in the Interlocal's name.

4. RIGHT TO USE CONTRACTS

As of June 30, 2022, the Interlocal has entered in contracts for space. Total payments for the year ended June 30, 2022, was $10,800.00. Under the current agreements, there are no future minimum rentals.

5. DEFINED BENEFIT PENSION PLAN

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33% for the fiscal year ended June 30, 2022.

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired Interlocal employees. The Interlocal is responsible for the employer's portion of the cost for retired Interlocal employees. The Interlocal received and remitted amounts equal to the statutory contribution rate, which totaled $1,805,720.90 for the year ended June 30, 2022.

5. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability

At June 30, 2022, the Interlocal's proportionate share of the collective net pension liability reported by KPERS was $325,871.00. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The Interlocal's proportion of the net pension liability was based on the ratio of the Interlocal'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, 2021. 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.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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, 2022.

Compensated Absences

It is the policy of the Interlocal that certified employees working nine months out of the year will earn ten sick/discretionary days per year, five discretionary and five sick, of leave will be allocated for each full time certified/licensed teacher on the first day of their contract available for use anytime. These days will be prorated for certified/licensed teachers contracted after the start of said school year. Teachers whom work less than full time will have their leave days prorated in a ratio equivalent to the amount of their contract time. At the end of the school year, any unused leave will be accumulated to seventy sick days or placed in a sick leave bank to pay back days borrowed. Unused sick leave at termination is lost.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Office, support staff, and paraprofessional accumulate vacation days based on years of service and are pro-rated for staff working less than full time, based on the following schedule:

One Year of Service	5 Days
Second through Fourth Year of Service	10 Days
Fifth through Ninth Year of Service	15 Days
Tenth through Fourteenth Year of Service	20 Days
Fifteenth Year of Service and on	25 Days

Unused vacation time may be carried over to the next fiscal year, but must be used before September 1.

Office, support staff, and paraprofessional accumulate sick days at a rate of one day per month of contract. At the end of the school year any unused leave will be accumulated to seventy sick days or placed in a sick leave bank to pay back days borrowed. Unused sick leave at termination is lost.

The Interlocal accrues a liability for compensated absences which meet the following criteria:

1) The Interlocal's obligation relating to employees' rights to receive compensation for future absences is attributed to employee's services already rendered.
2) The obligation relates to rights that vest or accumulate.
3) Payment of the compensation is probable.
4) The amount can be reasonably estimated.

In accordance with the above criteria, the Interlocal has estimated a liability for vacation pay, which has been earned, but not taken by Interlocal employees of $24,337.64. The Interlocal has not accrued a liability for sick leave earned, but not taken, by Interlocal employees, as the amounts cannot be reasonably estimated at this time.

Health Insurance

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. The American Recovery and Reinvestment Act of 2009 (ARRA) reduces the COBRA premium for the eligible employees in some cases. There is no cost to the government under the COBRA programs.

7. RISK MANAGEMENT

The Interlocal is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The Interlocal manages these risks of loss through the purchase of various insurance policies.

The Interlocal has joined together with other school boards in the State to participate in Kansas Association of School Boards Workers Compensation Fund, Inc (FUND), a public entity risk pool currently operating as a common risk management and insurance program for participating members. The Interlocal pays annual premium to the FUND for its workers' compensation insurance coverage. The agreement to participate provides that FUND will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of a stated dollar amount for each insurance event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the FUND management.

8. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and state grantors. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Interlocal expects such amounts, if any, to be immaterial.

9. INTERFUND TRANSFERS

Operating transfers to allocate expenditures between funds were as follows:

From Fund:	To Fund:	Amount
General	Food Service and Catering	$ 320.50
General	Medicaid	27,143.33
General	Alternative School – JDLA	33,238.65
General	Professional Development	6,526.15
Regional Service Center	Operations and Facilities	1,204.78
Regional Service Center	Medicaid	6,270.00
Regional Service Center	Technology Support Services	21,389.25
KIDSS	Technology Support Services	3,317.16

10. COMMITMENTS AND CONTINGENCIES

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risk to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Interlocal's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Interlocal is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2023.

11. SUBSEQUENT EVENTS

The Interlocal evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statement. Additionally there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Assessments from Districts	$ 2,602,889.51	$ 2,751,743.27	$ 2,709,970.00	$ 41,773.27
Interest on Idle Funds	20,478.41	7,464.80	15,000.00	(7,535.20)
State Sources				
General State Aid	5,136,281.91	4,769,808.39	4,954,476.00	(184,667.61)
Other State Aid	-	3,851.94	13,500.00	(9,648.06)
Federal Sources				
Special Education Aid	1,046,140.00	1,150,887.00	1,200,927.00	(50,040.00)
ESSER Grant	129,360.00	-	172,024.00	(172,024.00)
SPARK Grant	10,936.95	-	-	-
Other Receipts				
Reimbursed Expense	252,446.01	289,174.41	364,000.00	(74,825.59)
Miscellaneous Receipts	40,454.80	5,255.70	-	5,255.70
Donations	-	129.60	-	129.60
Total Receipts	9,238,987.59	8,978,315.11	$ 9,429,897.00	$ (451,581.89)
Expenditures				
Instruction	5,409,686.94	5,374,781.63	$ 5,738,079.00	$ (363,297.37)
Support Services				
Student Support	2,554,315.34	2,496,157.56	2,973,848.00	(477,690.44)
Instructional Support	24,603.63	51,209.49	128,006.00	(76,796.51)
General Administration	383,835.83	416,995.27	311,826.00	105,169.27
School Administration	62,246.56	45,157.22	192,333.00	(147,175.78)
Central Services	68,741.66	105,133.09	66,051.00	39,082.09
Operations and Maintenance	139,792.17	149,608.21	122,675.00	26,933.21
Transportation Services	20,154.74	46,926.27	14,075.00	32,851.27
Operation of Non-Instruction Services				
Food Service Operations	1,007.07	-	-	-

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Operating Transfers to:				
Alternative School - JDLA	$ 15,585.25	$ 33,238.65	$ -	$ 33,238.65
Professional Development	3,379.09	6,526.15	-	6,526.15
Medicaid	54,201.27	27,143.33	-	27,143.33
Food Service and Catering	10,430.80	320.50	-	320.50
Total Certified Budget			9,546,893.00	(793,695.63)
Adjustments to Budget				
Adjustment for Qualifying Budget Credits			289,174.41	(289,174.41)
Total Expenditures	8,747,980.35	8,753,197.37	$ 9,836,067.41	$ (1,082,870.04)
Receipts Over (Under) Expenditures	491,007.24	225,117.74		
Unencumbered Cash, Beginning	769,268.42	1,260,295.16		
Cancelled Encumbrance	19.50	3,403.26		
Unencumbered Cash, Ending	$ 1,260,295.16	$ 1,488,816.16		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
PROFESSIONAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
State Sources				
General State Aid	$ 959.00	$ -	$ 1,100.00	$ (1,100.00)
Operating Transfers from				
General Fund	3,379.09	6,526.15	6,800.00	(273.85)
Total Receipts	4,338.09	6,526.15	$ 7,900.00	$ (1,373.85)
Expenditures				
Support Services				
Instructional Support	3,334.82	1,419.00	$ -	$ 1,419.00
General Administration	1,003.27	5,107.15	7,900.00	(2,792.85)
Total Expenditures	4,338.09	6,526.15	$ 7,900.00	$ (1,373.85)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
REGIONAL SERVICE CENTER FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Federal Sources				
SPARK Grant	$ 2,418.54	$ -	$ -	$ -
Other Receipts				
Cooperative Purchasing	321,058.84	408,203.69	472,653.81	(64,450.12)
Reimbursed Expense	314.56	-	-	-
Miscellaneous Receipts	9,728.04	5,346.51	-	5,346.51
Total Receipts	333,519.98	413,550.20	$ 472,653.81	$ (59,103.61)
Expenditures				
Support Services				
General Administration	147,440.83	148,373.06	$ 217,025.00	$ (68,651.94)
School Administration	15,734.41	1,681.71	16,520.00	(14,838.29)
Central Services	71,427.32	63,313.68	67,395.00	(4,081.32)
Operations and Maintenance	86,561.99	58,707.73	82,450.00	(23,742.27)
Transportation Services	1,204.20	6,027.62	1,300.00	4,727.62
Operating Transfers to				
Operations and Facilities	405.81	1,204.78	-	1,204.78
Medicaid	-	6,270.00	-	6,270.00
Technology Support Services	-	21,389.25	-	21,389.25
Total Expenditures	322,774.56	306,967.83	$ 384,690.00	$ (77,722.17)
Receipts Over (Under) Expenditures	10,745.42	106,582.37		
Unencumbered Cash, Beginning	352,456.35	363,201.77		
Cancelled Encumbrance	-	1,134.42		
Unencumbered Cash, Ending	$ 363,201.77	$ 470,918.56		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
TECHNOLOGY SUPPORT SERVICES FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Other Receipts				
Charges for Services	$ 182,806.57	$ 133,567.00	$ 180,750.00	$ (47,183.00)
Operating Transfers from:				
Regional Service Center Fund	-	21,389.25	-	21,389.25
Kansas Inividualized Data System for Students Fund	8,325.37	3,317.16	7,900.00	(4,582.84)
Total Receipts	191,131.94	158,273.41	$ 188,650.00	$ (30,376.59)
Expenditures				
Support Services				
Central Services	3,532.77	23,278.84	$ -	$ 23,278.84
Operations and Maintenance	180,247.91	142,537.98	175,065.04	(32,527.06)
Total Expenditures	183,780.68	165,816.82	$ 175,065.04	$ (32,527.06)
Receipts Over (Under) Expenditures	7,351.26	(7,543.41)		
Unencumbered Cash, Beginning	192.15	7,543.41		
Unencumbered Cash, Ending	$ 7,543.41	$ -		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
MARSHALL COUNTY TINY K FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Federal Sources				
Infant - Toddler Grant	$ 1,908.60	$ 22,892.86	$ -	$ 22,892.86
State Sources				
General State Aid	205,272.88	197,841.21	197,400.00	441.21
Infant - Toddler Grant	100,731.00	100,731.00	129,866.00	(29,135.00)
Other Receipts				
Miscellaneous	-	-	12,754.00	(12,754.00)
Reimbursed Expense	19,084.85	6,774.91	40,000.00	(33,225.09)
Total Receipts	326,997.33	328,239.98	$ 380,020.00	$ (51,780.02)
Expenditures				
Instruction	86,638.43	98,766.47	$ 109,147.00	$ (10,380.53)
Support Services				
Student Support	227,989.60	236,477.36	270,873.00	(34,395.64)
Total Expenditures	314,628.03	335,243.83	$ 380,020.00	$ (44,776.17)
Receipts Over (Under) Expenditures	12,369.30	(7,003.85)		
Unencumbered Cash, Beginning	203,229.39	215,598.69		
Unencumbered Cash, Ending	$ 215,598.69	$ 208,594.84		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
PARENTS AS TEACHERS FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Assessments from Districts	$ 280,000.00	$ 277,750.00	$ 278,250.00	$ (500.00)
Miscellaneous Grants	-	53,099.65	-	53,099.65
State Sources				
Parent Education Grant	530,158.00	529,159.00	529,159.00	-
Federal Sources				
Coronavirus Relief Funds Grant	28,760.00	-	-	-
Other Receipts				
Miscellaneous Receipts	37,067.06	100.00	-	100.00
Total Receipts	875,985.06	860,108.65	$ 807,409.00	$ 52,699.65
Expenditures				
Support Services				
Instructional Support	832,304.06	846,839.44	$ 793,738.00	$ 53,101.44
Total Expenditures	832,304.06	846,839.44	$ 793,738.00	$ 53,101.44
Receipts Over (Under) Expenditures	43,681.00	13,269.21		
Unencumbered Cash, Beginning	85,723.07	129,404.07		
Unencumbered Cash, Ending	$ 129,404.07	$ 142,673.28		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
KANSAS INSTRUCTIONAL SUPPORT STATE AND LOCAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
State Sources		
General State Aid	$ 597,994.18	$ 620,360.43
Other Receipts		
Miscellaneous Receipts	8,166.46	1,396.27
Reimbursed Expense	917.00	1,147.00
Total Receipts	607,077.64	622,903.70
Expenditures		
Support Services		
Instructional Support	194,293.40	461,256.52
Total Expenditures	194,293.40	461,256.52
Receipts Over (Under) Expenditures	412,784.24	161,647.18
Unencumbered Cash, Beginning	1,292,964.52	1,705,748.76
Unencumbered Cash, Ending	$ 1,705,748.76	$ 1,867,395.94

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
ALTERNATIVE SCHOOL - JDLA FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Assessments from District	$ 31,465.00	$ 31,530.00	$ 30,085.00	$ 1,445.00
Charges for Services	57,544.65	53,322.45	37,000.00	16,322.45
Other Receipts				
Miscellaneous Receipts	172.00	48.00	-	48.00
Operating Transfers from				
General	15,585.25	33,238.65	53,000.00	(19,761.35)
Total Receipts	104,766.90	118,139.10	$ 120,085.00	$ (1,945.90)
Expenditures				
Instruction	8,583.26	18,242.13	$ 19,917.00	$ (1,674.87)
Support Services				
General Administration	93,784.20	98,540.57	99,128.00	(587.43)
Operations and Maintenance	900.00	900.00	900.00	-
Operating Transfers to				
Food Service and Catering	1,499.44	-	-	-
Total Expenditures	104,766.90	117,682.70	$ 119,945.00	$ (2,262.30)
Receipts Over (Under) Expenditures	-	456.40		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 456.40		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
KANSAS INDIVIDUALIZED DATA SYSTEM FOR STUDENTS (KIDSS) FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Charges for Services	$ 110,706.42	$ 110,706.42
Total Receipts	110,706.42	110,706.42
Expenditures		
Support Services		
Instructional Support	102,156.09	107,389.26
General Administration	224.96	-
Operating Transfer to		
Technology Support Services Fund	8,325.37	3,317.16
Total Expenditures	110,706.42	110,706.42
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
CONTINUOUS IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Federal Sources				
Federal Grant	$ 42,460.00	$ 42,460.00	$ 42,460.00	$ -
Total Receipts	42,460.00	42,460.00	$ 42,460.00	$ -
Expenditures				
Support Services				
Instructional Support	42,460.00	42,460.00	$ 42,460.00	$ -
Total Expenditures	42,460.00	42,460.00	$ 42,460.00	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
MEDICAID FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from		
General Fund	$ 54,201.27	$ 27,143.33
Regional Service Center Fund	-	6,270.00
Total Receipts	54,201.27	33,413.33
Expenditures		
Operating Transfers to		
General Fund	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	54,201.27	33,413.33
Unencumbered Cash, Beginning	170,798.73	225,000.00
Unencumbered Cash, Ending	$ 225,000.00	$ 258,413.33

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
INFANT/TODDLER PROGRAM FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Cottonwood Grant	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ -
Prairie Band Services	10,500.00	11,000.00	11,000.00	-
Miscellaneous Grants	129.00	-	-	-
State Sources				
General State Aid	408,383.88	451,307.27	428,660.00	22,647.27
Infant - Toddler Grant	271,161.00	271,161.00	352,700.86	(81,539.86)
Federal Sources				
Infant - Toddler Grant	78,430.00	3,203.81	-	3,203.81
Coronavirus Relief Grant	13,920.00	-	-	-
Other Receipts				
Reimbursed Expense	80,276.18	72,309.95	60,867.75	11,442.20
Total Receipts	867,800.06	813,982.03	$ 858,228.61	$ (44,246.58)
Expenditures				
Instruction	147,328.40	135,446.15	$ 171,612.60	$ (36,166.45)
Support Services				
Student Support	525,626.16	629,626.54	659,295.40	(29,668.86)
General Administration	20,217.61	25,274.28	26,120.60	(846.32)
Total Expenditures	693,172.17	790,346.97	$ 857,028.60	$ (66,681.63)
Receipts Over (Under) Expenditures	174,627.89	23,635.06		
Unencumbered Cash, Beginning	348,787.27	523,415.16		
Unencumbered Cash, Ending	$ 523,415.16	$ 547,050.22		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
OPERATIONS AND FACILITIES FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services	$ 1,534.90	$ 6,220.00	$ 2,470.00	$ 3,750.00
Operating Transfer from Regional Service Center Fund	405.81	1,204.78	-	1,204.78
Total Receipts	1,940.71	7,424.78	$ 2,470.00	$ 4,954.78
Expenditures				
Support Services				
General Administration	1,731.82	6,309.57	$ 1,739.00	$ 4,570.57
School Administration	-	445.21	175.00	270.21
Operations and Maintenance	202.98	175.00	-	175.00
Operation of Non-Instruction Services				
Enterprise Operations	150.50	495.00	150.00	345.00
Operating Transfer to:				
Regional Service Center Fund	-	-	406.00	(406.00)
Total Expenditures	2,085.30	7,424.78	$ 2,470.00	$ 4,954.78
Receipts Over (Under) Expenditures	(144.59)	-		
Unencumbered Cash, Beginning	144.59	-		
Unencumbered Cash, Ending	$ -	$ -		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
ATBS STICKLE GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title IV- Part B IDEA	$ 71,970.50	$ -
Total Receipts	71,970.50	-
Expenditures		
Support Services		
Instructional Support	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	71,970.50	-
Unencumbered Cash, Beginning	(71,970.50)	-
Unencumbered Cash, Ending	$ -	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
ATBS STICKLE 2021 - 2025 GRANT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Federal Sources				
Title IV- Part B IDEA	$ 1,448,580.95	$ 2,017,768.57	$ 2,463,101.05	$ (445,332.48)
Total Receipts	1,448,580.95	2,017,768.57	$ 2,463,101.05	$ (445,332.48)
Expenditures				
Support Services				
Instructional Support	1,890,227.00	1,876,067.58	$ 2,021,455.00	$ (145,387.42)
Total Expenditures	1,890,227.00	1,876,067.58	$ 2,021,455.00	$ (145,387.42)
Receipts Over (Under) Expenditures	(441,646.05)	141,700.99		
Unencumbered Cash, Beginning	-	(441,646.05)		
Cancelled Encumbrance	-	580.90		
Unencumbered Cash, Ending	$ (441,646.05)	$ (299,364.16)		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
KANSAS MATH PROFICIENCY GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
ESSER Grant Proceeds	$ -	$ 59,325.00
Total Receipts	-	59,325.00
Expenditures		
Support Services		
Instructional Support	-	139,650.00
Total Expenditures	-	139,650.00
Receipts Over (Under) Expenditures	-	(80,325.00)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (80,325.00)

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
MTSS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title IV- Part B IDEA	$ 470,471.22	$ -
Total Receipts	470,471.22	-
Expenditures		
Support Services		
Instructional Support	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	470,471.22	-
Unencumbered Cash, Beginning	(470,471.22)	-
Unencumbered Cash, Ending	$ -	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
MTSS 2021 - 2025 FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Federal Sources				
Title IV- Part B IDEA	$ 1,763,560.64	$ 3,121,107.55	$ 4,895,245.93	$ (1,774,138.38)
Total Receipts	1,763,560.64	3,121,107.55	$ 4,895,245.93	$ (1,774,138.38)
Expenditures				
Support Services				
Instructional Support	2,386,795.57	3,281,951.85	$ 4,272,011.00	$ (990,059.15)
Total Expenditures	2,386,795.57	3,281,951.85	$ 4,272,011.00	$ (990,059.15)
Receipts Over (Under) Expenditures	(623,234.93)	(160,844.30)		
Unencumbered Cash, Beginning	-	(623,234.93)		
Unencumbered Cash, Ending	$ (623,234.93)	$ (784,079.23)		

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
MTSS STATE AND LOCAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
State Sources		
General State Aid	$ 68,593.70	$ -
Total Receipts	68,593.70	-
Expenditures		
Support Services		
Instructional Support	1,909.01	97,896.85
Total Expenditures	1,909.01	97,896.85
Receipts Over (Under) Expenditures	66,684.69	(97,896.85)
Unencumbered Cash, Beginning	2,343,252.17	2,409,936.86
Unencumbered Cash, Ending	$ 2,409,936.86	$ 2,312,040.01

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
GSTAD BERENS GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Reimbursement	$ 47,079.83	$ -
Federal Sources		
Title IV- Part B IDEA	32,074.14	-
Total Receipts	79,153.97	-
Expenditures		
Support Services		
General Administration	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	79,153.97	-
Unencumbered Cash, Beginning	(79,153.97)	-
Unencumbered Cash, Ending	$ -	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
GSTAD BERENS 2021 - 2025 GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title IV- Part B IDEA	$ 424,304.88	$ 847,730.36
Total Receipts	424,304.88	847,730.36
Expenditures		
Support Services		
Instructional Support	543,675.51	611,592.16
General Administration	169,892.46	181,412.55
Total Expenditures	713,567.97	793,004.71
Receipts Over (Under) Expenditures	(289,263.09)	54,725.65
Unencumbered Cash, Beginning	-	(289,263.09)
Unencumbered Cash, Ending	$ (289,263.09)	$ (234,537.44)

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
GSTAD LOCAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Reimbursed Expenses	$ 28,925.02	$ 1,373.09
Total Receipts	28,925.02	1,373.09
Expenditures		
Support Services		
Instructional Support	10,850.76	62.05
Total Expenditures	10,850.76	62.05
Receipts Over (Under) Expenditures	18,074.26	1,311.04
Unencumbered Cash, Beginning	6,921.36	24,995.62
Unencumbered Cash, Ending	$ 24,995.62	$ 26,306.66

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
TASN COORDINATION TEAM GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
Title IV- Part B IDEA	$ 56,687.02	$ -
Total Receipts	56,687.02	-
Expenditures		
Support Services		
Instructional Support	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	56,687.02	-
Unencumbered Cash, Beginning	(56,687.02)	-
Unencumbered Cash, Ending	$ -	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
TASN COORDINATION LOCAL GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Miscellaneous Income	$ 1,856.20	$ 4,419.92
Total Receipts	1,856.20	4,419.92
Expenditures		
Support Services		
Instructional Support	-	1,856.20
Total Expenditures	-	1,856.20
Receipts Over (Under) Expenditures	1,856.20	2,563.72
Unencumbered Cash, Beginning	-	1,856.20
Unencumbered Cash, Ending	$ 1,856.20	$ 4,419.92

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
TASN GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Local Sources		
Miscellaneous Receipts	$ 29,780.25	$ 5,469.44
State Sources		
General State Aid	30,013.28	10,404.90
Total Receipts	59,793.53	15,874.34
Expenditures		
Support Services		
General Administration	59,793.53	15,874.34
Total Expenditures	59,793.53	15,874.34
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
SCHOOL MENTAL HEALTH INITIATIVE (SMHI) STATE PROF DEV GRANT YEAR 3 (SPDG) FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
SMHI Grant	$ 576,055.50	$ -
Total Receipts	576,055.50	-
Expenditures		
Support Services		
Instructional Support	298,739.62	-
Total Expenditures	298,739.62	-
Receipts Over (Under) Expenditures	277,315.88	-
Unencumbered Cash, Beginning	(277,315.88)	-
Unencumbered Cash, Ending	$ -	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
SCHOOL MENTAL HEALTH INITIATIVE (SMHI) STATE PROF DEV GRANT YEAR 4 (SPDG) FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
SMHI Grant	$ 314,260.18	$ 793,680.67
Total Receipts	314,260.18	793,680.67
Expenditures		
Support Services		
Instructional Support	715,585.30	392,355.55
Total Expenditures	715,585.30	392,355.55
Receipts Over (Under) Expenditures	(401,325.12)	401,325.12
Unencumbered Cash, Beginning	-	(401,325.12)
Unencumbered Cash, Ending	$ (401,325.12)	$ -

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
SCHOOL MENTAL HEALTH INITIATIVE (SMHI) STATE PROF DEV GRANT YEAR 5
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
SMHI Grant	$ -	$ 457,760.01
Total Receipts	-	457,760.01
Expenditures		
Support Services		
Instructional Support	-	681,713.71
Total Expenditures	-	681,713.71
Receipts Over (Under) Expenditures	-	(223,953.70)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (223,953.70)

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
SCHOOL MENTAL HEALTH INITIATIVE (SMHI) STATE PROF DEV GRANT LOCAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Other Sources		
Miscellaneous Receipts	$ -	$ -
Total Receipts	-	-
Expenditures		
Support Services		
Instructional Support	-	270.00
Total Expenditures	-	270.00
Receipts Over (Under) Expenditures	-	(270.00)
Unencumbered Cash, Beginning	7,002.50	7,002.50
Unencumbered Cash, Ending	$ 7,002.50	$ 6,732.50

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
CLIA KDHE GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
KDHE Grant	$ -	$ 56,714.00
Total Receipts	-	56,714.00
Expenditures		
Support Services		
Student Support	-	70,125.00
Central Services	-	3,879.79
Total Expenditures	-	74,004.79
Receipts Over (Under) Expenditures	-	(17,290.79)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ (17,290.79)

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
ELEMENTARY AND SECONDARY SCHOOL EMERGERCY RELIEF II FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Sources		
ESSER Grant Proceeds	$ -	$ 204,891.87
Total Receipts	-	204,891.87
Expenditures		
Instruction	13,172.66	142,933.02
Support Services		
Instructional Support	1,500.00	103,701.72
Total Expenditures	14,672.66	246,634.74
Receipts Over (Under) Expenditures	(14,672.66)	(41,742.87)
Unencumbered Cash, Beginning	-	(14,672.66)
Unencumbered Cash, Ending	$ (14,672.66)	$ (56,415.53)

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
FOOD SERVICE AND CATERING FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Fiscal Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local Sources				
Food Service Sales	$ 298.80	$ -	$ 2,575.00	$ (2,575.00)
Assessments from Districts	3,904.17	5,044.80	-	5,044.80
Miscellaneous- Catering	188.00	591.36	-	591.36
State Sources				
Food Service Aid	179.46	200.73	230.00	(29.27)
Federal Sources				
Child Nutrition Aid	18,312.78	45,756.71	26,390.00	19,366.71
Operating Transfers from				
General	10,430.80	320.50	8,000.00	(7,679.50)
Alternative School - JDLA	1,499.44	-	-	-
Total Receipts	34,813.45	51,914.10	$ 37,195.00	$ 14,719.10
Expenditures				
Operation of Non-Instruction Services				
Food Service Operations	34,813.45	41,658.82	$ 37,195.00	$ 4,463.82
Total Expenditures	34,813.45	41,658.82	$ 37,195.00	$ 4,463.82
Receipts Over (Under) Expenditures	-	10,255.28		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 10,255.28		

Schedule 2

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
AGENCY FUNDS
Schedule of Receipts and Disbursement
Regulatory Basis
For the Fiscal Year Ended June 30, 2022

	Beginning Cash Balances	Receipts	Disbursements	Ending Cash Balances
Agency Funds				
John Dewey Learning Academy	$ 69.67	$ -	$ -	$ 69.67

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Provided to Sub Recipients	Cash Receipts	Disbursements Expenditures
U.S. DEPARTMENT OF EDUCATION					
Passed through the Kansas Department of Education					
Special Education Cluster (IDEA)					
Grants to States - IDEA, Part B	3234-3050	84.027	$ -	$ 1,023,637.00	$ 1,023,637.00
Grants to States - IDEA, Part B - COVID - 19	3234-3050	84.027	-	85,620.00	85,620.00
Grants to States - IDEA, Part B - Discretionary	652-15-2859	84.027	-	847,730.36	793,004.71
Grants to States - IDEA, Part B - Discretionary	652-16-1872	84.027	-	3,121,107.55	3,281,951.85
Grants to States - IDEA, Part B - Discretionary	652-15-1865	84.027	-	1,812,768.57	1,498,404.02
Grants to States - IDEA, Part B - Discretionary	20754	84.027	-	42,460.00	42,460.00
		Total 84.027	-	6,933,323.48	6,725,077.58
Preschool Grants - IDEA Preschool	3550-1000	84.173	-	34,130.00	34,130.00
Preschool Grants - IDEA Preschool - COVID - 19	3235-3550	84.173	-	7,500.00	7,500.00
Preschool Grants - IDEA Preschool	652-15-1865	84.173	-	377,663.56	377,663.56
		Total 84.173	-	419,293.56	419,293.56
	Total Special Education Cluster (IDEA)		-	7,352,617.04	7,144,371.14
State Personnel Development Grant - SPDG Year 4	44582	84.323	-	693,680.67	392,355.55
State Personnel Development Grant - SPDG Year 5	44582	84.323	-	385,096.45	681,713.71
		Total 84.323	-	1,078,777.12	1,074,069.26
Elementary and Secondary School Emergency Relief - COVID - 19	D0608	84.425	-	59,325.00	139,650.00
Passed through USD #338					
Elementary and Secondary School Emergency Relief - COVID - 19	D0608	84.425	-	19,047.00	18,818.23
Passed through USD #339					
Elementary and Secondary School Emergency Relief - COVID - 19	D0608	84.425	-	25,264.00	24,959.44
Passed through USD #340					
Elementary and Secondary School Emergency Relief - COVID - 19	D0608	84.425	-	44,735.12	44,196.95

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
Schedule of Expenditures of Federal Awards
(Continued)
For the Year Ended June 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Provided to Sub Recipients	Cash Receipts	Disbursements Expenditures
U.S. DEPARTMENT OF EDUCATION (Continued)					
Passed through USD #341					
Elementary and Secondary School					
Emergency Relief - COVID - 19	D0608	84.425	$ -	$ 50,368.00	$ 36,871.90
Passed through USD #342					
Elementary and Secondary School					
Emergency Relief - COVID - 19	D0608	84.425	-	27,535.00	27,203.81
Passed through USD #343					
Elementary and Secondary School					
Emergency Relief - COVID - 19	D0608	84.425	-	-	38,943.63
Passed through USD #377					
Elementary and Secondary School					
Emergency Relief - COVID - 19	D0608	84.425	-	8,003.77	26,044.63
Passed through USD #449					
Elementary and Secondary School					
Emergency Relief - COVID - 19	D0608	84.425	-	29,938.98	29,596.17
		Total 84.425	-	264,216.87	386,284.76
Passed through the Kansas Department of Health and Environment					
Grants for Infants and Families - Marshall Co.	SFY2022	84.181	-	16,213.40	16,213.40
Grants for Infants and Families - Marshall Co. - COVID - 19	SFY2022	84.181	-	6,679.46	6,679.46
Grants for Infants and Families - NEKITS	SFY2022	84.181	-	957.00	957.00
Grants for Infants and Families - NEKITS - COVID - 19	SFY2022	84.181	-	2,246.81	2,246.81
		Total 84.181	-	26,096.67	26,096.67
Total U.S. Department of Education			-	8,721,707.70	8,630,821.83

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas
Schedule of Expenditures of Federal Awards
(Continued)
For the Year Ended June 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Provided to Sub Recipients	Cash Receipts	Disbursements Expenditures
U.S. DEPARTMENT OF AGRICULTURE					
Passed through the Kansas Department of Education					
Child USDA Nutrition Cluster:					
School Breakfast	D0608	10.553	$ -	$ 9,264.70	$ 9,264.70
National School Lunch Program - COVID - 19	D0608	10.555	-	2,677.32	2,677.32
National School Lunch Program	D0608	10.555	-	24,452.79	20,354.90
Summer Food Service Prorgam	D0608	10.559	-	8,747.90	8,747.90
	Total Child USDA Nutrition Cluster		-	45,142.71	41,044.82
State Pandemic Electronic Benefit Transfer Administrative Costs Grant - COVID - 19	D0608	10.649	-	614.00	614.00
Total U.S. Department of Agriculture			-	45,756.71	41,658.82
TOTAL FEDERAL AWARDS			$ -	$ 8,767,464.41	$ 8,672,480.65

Note to the Schedule of Expenditures of Federal Awards:

NOTE A -- BASIS OF PRESENTATION

Federal expenditures are recorded on the accrual basis of accounting, which records expenses when the goods or services are received, and not necessarily when paid.

NOTE B --INDIRECT COST RATE

Interlocal No. 608, Northeast Kansas Education Service Center did not elect to use the 10% de minimis cost rate.

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

Board of Education
Interlocal No. 608
Northeast Kansas Education Service Center
Ozawkie, 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, the financial statement of Interlocal No. 608 Northeast Kansas Education Service Center, Ozawkie, Kansas, as of and for the year ended June 30, 2022, and the related notes to the financial statement, which collectively comprise the Interlocal No. 608 Northeast Kansas Education Service Center's basic financial statement, and have issued our report thereon dated February 11, 2023.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statement, we considered Interlocal No. 608 Northeast Kansas Education Service Center'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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Interlocal No. 608 Northeast Kansas Education Service Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal'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 were not identified.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal'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 Interlocal's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
February 11, 2023

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

Board of Education
Interlocal No. 608
Northeast Kansas Education Service Center
Ozawkie, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Interlocal No. 608 Northeast Kansas Education Service Center, Ozawkie, Kansas' 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 Interlocal No. 608 Northeast Kansas Education Service Center's major federal programs for the year ended June 30, 2022. Interlocal No. 608 Northeast Kansas Education Service Center'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, Interlocal No. 608 Northeast Kansas Education Service Center 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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

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 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 Interlocal No. 608 Northeast Kansas Education Service Center 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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center'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 Interlocal No. 608 Northeast Kansas Education Service Center'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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
February 11, 2023

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas

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

I. SUMMARY OF AUDITORS' RESULTS

Financial Statement:

The auditors' report expresses an adverse opinion on the basic financial statement of Interlocal No. 608, Northeast Kansas Education Service Center on the Generally Accepted Accounting Principles (GAAP) basis of accounting and an unmodified opinion on the regulatory basis of accounting.

Internal Control over Financial Reporting:

Material weakness(es) identified?	____ Yes	X No	
Significant deficiencies identified?	____ Yes	X None Reported	
Noncompliance or other matters required to be reported under *Government Auditing Standards*	____ Yes	X No	

Federal Awards:

Internal control over major programs:

Material weakness(es) identified?	____ Yes	X No	
Significant deficiencies identified?	____ Yes	X None Reported	

The auditors' report on compliance for the major federal award programs for Interlocal No. 608, Northeast Kansas Education Service Center expresses an unmodified opinion.

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:

U.S. DEPARTMENT OF EDUCATION	
Special Education Cluster (IDEA)	
Grants to States – IDEA Part B	CFDA No. 84.027
Preschool Grants – IDEA Preschool	CFDA No. 84.173
State Personnel Development Grant	CFDA No. 84.323
Elementary and Secondary School Emergency Relief Grant	CFDA No. 84.425

The threshold for distinguishing Types A and B programs was $750,000.00.

Auditee qualified as a low risk auditee? ____ Yes X No

II. FINANCIAL STATEMENT FINDINGS

NONE

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

INTERLOCAL NO. 608
NORTHEAST KANSAS EDUCATION SERVICE CENTER
Ozawkie, Kansas

Summary of Resolution of Prior Audit Findings and Questioned Costs
For the Year Ended June 30, 2022

NONE