SALINA AREA TECHNICAL COLLEGE
Salina, Kansas

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT
June 30, 2024

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas

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SALINA AREA TECHNICAL COLLEGE
Salina, Kansas

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Salina Area Technical College
Salina, Kansas

Opinion
We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component unit of Salina Area Technical College, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit as of June 30, 2024 and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Salina Area Technical College 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 audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America. 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 statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Salina Area Technical College's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 generally accepted 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 statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 statements.

- 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 Salina Area Technical College'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 statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Salina Area Technical College'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.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the net position of the business activities and aggregate discretely presented component unit of the College as a whole. The supplementary information which includes the schedule of revenues and expenses compared to budget and the schedule of expenses by function and object for the year ended June 30, 2024 (as listed in the table of contents) are presented for analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. The schedules listed in the table of contents and the schedule of expenditures of federal awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole.

Other reporting required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2025 on our consideration of the College'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 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 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 College's internal control over financial reporting and compliance.

Harold K. Mayes Jr

Harold K Mayes Jr CPA
Agler & Gaeddert, Chartered
Ottawa, Ks
January 7, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas
Management's Discussion and Analysis (MD&A)
June 30, 2024

INTRODUCTION

Our discussion and analysis of Salina Area Technical College (College) financial performance provides an overview of the College's financial activities for the fiscal year ended June 30, 2024. Since this management's discussion and analysis is designed to focus on current activities, resulting change and currently known facts, it should be read in conjunction with the College's financial statements, which follow this section.

USING THIS ANNUAL REPORT

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,* issued June 1999; and GASB Statement No. 37, *Basic Financial Statement – and Management Discussion and Analysis – for State and Local Governments: Omnibus,* an amendment to GASB Statement No. 21 and No. 34, issued in June 2001. This financial statement format (implemented in the fiscal year ended June 30, 2010) focuses on the College as a whole.

The financial statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The focus on the Statement of Net Position is designed to be similar to bottom line results for the College. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets. The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of College activities, which are supported substantially by state aid, state and federal grants, student tuition and fees. This approach is intended to summarize and simplify the user's analysis of the cost of various College services to students and the public.

FINANCIAL HIGHLIGHTS

Total net position was $21,927,376 on June 30, 2024 which is an increase of $459,671 from the previous year. Large cash contributions and grants from the state represent a significant amount of the addition to net position. The net assets increased by $951,692 of which $464,030 are current assets and an additional $487,662 are non-current assets. The majority of non-current assets were additions to construction in progress with a value of $1,409,655.

Overall revenues were $10,924,443 which was more than expenses of $10,464,772 by $459,671. The student tuition fees and state appropriations all increased over the prior year. The College received grants from the State for Cybersecurity and IT Infrastructure, Tech Operating Grant and Apprenticeship Aid that was not received in prior year. Donations made to capital outlay fund were higher than prior year. The College did utilize the remaining COVID grant funds during the year.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the College. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- **Government-wide financial statements**, which comprise the first three statements, provide both short-term and long-term information about the entity's overall financial position.
- **Fund financial statements** focus on reporting the individual parts of the College operations in more detail. The College has only one fund as of June 30, 2024.

OVERVIEW OF FINANCIAL STATEMENTS - continued

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of supplementary information that further explains and supports the financial statements.

Government-Wide Statements

The government-wide statements report information about the College as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the College's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses and changes in fund balance regardless of when cash is received or paid.

The government-wide statements report the College's net position and how it has changed. Net position, the difference between the assets and liabilities, are one way to measure the College's financial health.

- Over time, increases or decreases in the College's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the College, one needs to consider additional non-financial factors such as changes in enrollment, changes in program funding by the Federal and State governments, and condition of facilities.

The government-wide financial statements of the College include all activities. The College's basic services are included here, such as regular education, maintenance, and general administration. Tuition, state aid and federal and state grants finance most of these activities.

Fund Financial Statements

- The fund financial statements provide more detailed information about the College's most significant funds; not the College as a whole. Funds are accounting devices that the College uses to keep track of specific sources of funding and spending for particular programs. As of June 30, 2024 the College only has one fund.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

FINANCIAL HIGHLIGHTS

As the College completed the year, its operations reported a net increase of $459,671 over last year's operations. A significant portion of the increase is due to cash donations to the capital outlay fund for the purpose of constructing the Industrial Maintenance and Automation building. It is important to note that there are some non-operating revenues that are attributable to operational expenses, namely the state appropriations. The comingling of revenues and expenses for operational and non-operational funds is part of the budgeting process and should be considered when net position is assessed. Specifically for this year, the increase in net position may be restricted to specific purposes at the College.

Net Position

The College's combined net position was $21,927,376 at June 30, 2024. See Table 1 which follows.

Operating Fund Budgetary Highlights

A schedule of the College's original budget amounts compared with actual revenues and expenses is provided in the supplemental section of the audited financial report.

Changes in Net Position

The College's total revenues were $10,924,443. Revenue sources are as follows: state aid of $3,750,053 or 34.3%, student tuition and fees of $3,191,932 or 29.2%, grants and contracts of $3,602,068 or 33%, other of $214,549 or 2%, bookstore sales of $150,796 or 1.4%, and interest income of $15,045 or .1%. See Table 2 which follows. The total cost of all programs and services was $10,464,772. The College's expenses are predominately related to instruction of students of $4,567,287 or 43.6%, academic support of $328,576 or 3.1%, and student services expenses of $842,752 or 8.1%. The College's other expenses were administrative expenses of $1,287,412 or 12.3%, maintenance expenses of $2,039,978 or 19.5%, cost of books sold of $330,071 or 3.2%, grants and contract expenses of $934,144 or 8.9% and other of $134,552 or 1.3%. There are currently no other known facts, decisions or conditions that will have a significant effect on the financial position (net position) or results of operations (revenues, expenses, and change in net position).

Table 1 -- Net Position
This schedule is prepared from the College's Statement of Net Position, which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

	2024 Business-type Activities	2023 Business-type Activities	Net change
ASSETS			
Currents Assets			
Cash and demand deposits	$ 3,279,483	$ 2,528,174	$ 751,309
Cash - Student accounts	27,942	24,669	3,273
Accounts receivable net of allowance for doubtful accounts	715,192	1,356,948	(641,756)
Inventory	270,136	185,029	85,107
Prepaid expenses	311,303	34,412	276,891
Total current assets	4,604,056	4,129,232	474,824
Noncurrent Assets			
Capital assets, net	18,122,507	17,634,845	487,662
Total noncurrent assets	18,122,507	17,634,845	487,662
Total assets	$ 22,726,563	$ 21,764,077	$ 962,486
LIABILITIES			
Current Liabilities			
Accounts payable	$ 435,276	$ 23,282	$ 411,994
Accrued liabilities	315,256	248,421	66,835
Due to student accounts	48,655	24,669	23,986
Total current liabilities	799,187	296,372	502,815
NET POSITION			
Invested in capital assets, net of any related debt	18,122,507	17,634,845	487,662
Unrestricted	3,804,869	3,832,860	(27,991)
Total net position	$ 21,927,376	$ 21,467,705	$ 459,671

Table 2 -- Changes in Net Position

REVENUES	2024 Business-type Activities	2023 Business-type Activities	Net Change
Operating Revenues			
Student tuition	$ 2,259,187	$ 1,867,927	$ 391,260
Institution fees	338,288	238,680	99,608
Program fees	464,378	177,736	286,642
Testing fees	130,079	65,130	64,949
Administrative	8,759	7,572	1,187
Bookstore sales	150,796	150,884	(88)
Other	37,431	26,686	10,745
Total operating revenues	3,388,918	2,534,615	854,303
EXPENSES			
Operating Expenses			
Instruction	4,567,287	3,720,300	846,987
Academic support	328,576	291,905	36,671
Student services	842,752	717,727	125,025
Administration	1,287,412	1,152,089	135,323
Maintenance	2,039,978	1,819,319	220,659
Cost of books sold	330,071	193,334	136,737
Total operating expenses	9,396,076	7,894,674	1,501,402
Operating income (loss)	(6,007,158)	(5,360,059)	(647,099)
NONOPERATING REVENUES (EXPENSES)			
State appropriations	3,750,053	3,651,786	98,267
Capital outlay grant	2,514,553	2,013,289	501,264
Capital outlay expenses	(65,412)	(23,678)	(41,734)
Carl Perkins grant	112,231	139,595	(27,364)
Carl Perkins expenses	(52,477)	(82,731)	30,254
COVID grant	968,175	314,206	653,969
COVID grant expenses	(755,378)	(227,825)	(527,553)
Operating grant expenses	(31,300)	0	(31,300)
Promise grant	0	(81,753)	81,753
MOE grant expenses	(25,995)	(24,717)	(1,278)
Summer Camp revenue	11,179	11,296	(117)
Summer Camp expenses	(4,434)	(3,110)	(1,324)
Non-Cash contributions	0	72,880	(72,880)
Other revenue	4,824	3,045	1,779
Other grants	7,109	345,257	(338,148)
Other expenses	(3,582)	(26,468)	22,886
Work orders revenue	152,121	83,354	68,767
Work orders expenses	(130,118)	(77,100)	(53,018)
Rent income	235	3,150	(2,915)
Investment income	15,045	9,440	5,605
Net nonoperating revenues	6,466,829	6,099,916	366,913
Increase (decrease) in net position	459,671	739,857	(280,186)
Net position - beginning of year - restated	21,467,705	20,727,848	739,857
Net position - end of year	$ 21,927,376	$ 21,467,705	$ 459,671

CAPITAL ASSETS

Table 3 -- Capital Assets

	2024 Business-type Activities	2023 Business-type Activities	Net Change
Capital Assets			
Leasehold improvements	$ 3,448,349	$ 3,417,116	$ 31,233
Furniture	120,831	120,831	0
Equipment	3,030,288	2,870,965	159,323
Vehicles	229,712	149,544	80,168
Computer software	180,571	180,571	0
Computer	783,281	758,012	25,269
Buildings	15,910,880	15,910,880	0
Land	558,810	558,810	0
Construction in process	1,503,315	93,660	1,409,655
TOTAL COSTS	25,766,037	24,060,389	1,705,648
Less Accumulated Depreciation			
Leasehold improvements	2,403,220	2,180,566	222,654
Furniture	117,752	116,408	1,344
Equipment	2,329,989	2,085,607	244,382
Vehicles	120,723	101,932	18,791
Computer software	174,551	167,744	6,807
Computer	757,205	750,657	6,548
Buildings	1,740,090	1,022,630	717,460
TOTAL ACCUMULATED DEPRECIATION	7,643,530	6,425,544	1,217,986
Net Capital Assets	$ 18,122,507	$ 17,634,845	$ 487,662

The College did not report capital assets and accumulated depreciation until 2010 when the College switched from a cash basis reporting in 2009 to full accrual basis. The College believes that capital assets not capitalized in prior years would be fully depreciated and thus has not made any adjustments for capital assets and accumulated depreciation for years prior to July 1, 2009.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The economic outlook for the region is stable with manufacturing and agriculture being significant segments of the regional economy. Inflation has eased but may contribute to some economic uncertainty which might impact the manufacturing segment. Enrollment has remained strong in the fall 2024 term and should remain similar to the prior year throughout the next school year. Partnerships with area school districts have remained strong and additional opportunities are available for the future. Part of the strategic plan is to increase partnership opportunities with other schools in the region.

The College receives revenue from the state appropriation according to the cost reimbursement model which has been in place since FY2012. Recent legislative changes have stabilize the state appropriation to more predictable amount using the prior three-year average costs for the secondary and postsecondary enrollments. This should incentivize

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES – continued

higher enrollment that the College has experienced in general education classes and stabilize the enrollment in technical classes. The state budget surplus should also provide confidence that the state funding will come to the College unimpeded. However, changes in the legislature may bring a wave of reductions that would impact some of the college revenue sources.

The College has begun new programs that meet the needs of the community including Pharmacy Technician and Industrial Maintenance and Automation Technician programs. Completion of the building should allow further expansion by easing space limitations and allow for future growth.

Looking to the Future

Another year of high enrollment should continue an upward financial trend. Additional state and donated resources through the IMA grant and Capital Outlay tax credit program should provide needed funds for growth. The Strategic plan includes expanded program offerings including alternative schedules for some programs. Also, considering other revenue sources and services to students and industry partners might be necessary to maintain positive trajectories

Contingencies and Commitments

Accreditation – The Kansas Board of Regents requires that all technical colleges be accredited by the Higher Learning Commission. Salina Area Technical College is accredited by the Higher Learning Commission, a regional accreditation agency recognized by the U.S Department of Education.

CONTACTING THE COLLEGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, Kansas Board of Regents, taxpayers, parents, participants, investors and creditors with a general overview of the College's finances and to demonstrate the College's accountability for the money it receives. For further information please contact Greg Nichols, President, 2562 Centennial Rd. Bldg. A, Salina, Kansas 67401.

FINANCIAL STATEMENTS

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas

Statements of Net Position

June 30, 2024

ASSETS	Business-type Activities	Component Unit Foundation
CURRENT ASSETS		
Cash and demand deposits	$ 3,279,483	$ 38,177
Cash - Student accounts	27,942	0
Total cash & cash equivalents	3,307,425	38,177
Investments - trading	0	1,545,223
Accounts receivable, net of allowance for doubtful accounts	715,192	0
Inventories	270,136	0
Prepaid expenses	311,303	0
Total other current assets	1,296,631	1,545,223
Total current assets	4,604,056	1,583,400
NONCURRENT ASSETS		
Capital assets, net	18,122,507	0
Total noncurrent assets	18,122,507	0
Total assets	$ 22,726,563	$ 1,583,400
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$ 435,276	$ 29,321
Accrued liabilities	315,256	0
Due to students and student activity	48,655	0
Total current liabilities	$ 799,187	$ 29,321
NET POSITION		
Invested in capital assets	$ 18,122,507	$ 0
Restricted for		
Expendable		
Scholarships and fellowships	0	959,854
Unrestricted - unassigned	3,804,869	594,225
Total net position	$ 21,927,376	$ 1,554,079

The accompanying notes are an integral part of these statements.

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas

Statements of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2024

	Business-type Activities	Component unit Foundation
REVENUES		
Operating Revenues		
Student tuition	$ 2,259,187	$ 0
Institution fees	338,288	0
Program fees	464,378	0
Testing fees	130,079	0
Administrative	8,759	0
Bookstore	150,796	0
Contributions	0	424,518
Other	37,431	0
Total operating revenues	3,388,918	424,518
EXPENSES		
Operating Expenses		
Instruction	4,567,287	0
Academic support	328,576	0
Student Services	842,752	0
Administration	1,287,412	0
Maintenance	2,039,978	0
Bookstore	330,071	0
Scholarships	0	78,000
Other	0	0
Total operating expenses	9,396,076	78,000
Operating income (loss)	(6,007,158)	346,518
NONOPERATING REVENUES (EXPENSES)		
State appropriations	3,750,053	0
Capital outlay grant	2,514,553	0
Capital outlay expenses	(65,412)	0
Carl Perkins grant	112,231	0
Carl Perkins expenses	(52,477)	0
COVID grant	968,175	0
COVID grant expenses	(755,378)	0
Operating grant expenses	(31,300)	0
MOE grant expenses	(25,995)	0
Summer Camp revenue	11,179	0
Summer Camp expenses	(4,434)	0
Other revenue	4,824	0
Other grants	7,109	0
Other expenses	(3,582)	0
Work orders revenue	152,121	0
Work orders expenses	(130,118)	0
Rent Income	235	0
Investment income	15,045	64,635
Investment fees	0	(11,690)

The accompanying notes are an integral part of these statements.

SALINA AREA TECHNICAL COLLEGE
Salina, Kansas

Statements of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2024

	Business-type Activities	Component unit Foundation
Realized gains (losses) on investments	$ 0	$ 54,107
Unrealized appreciation (depreciation) on investments	0	155,190
Net nonoperating revenues	6,466,829	262,242
Increase (Decrease) in net assets	459,671	608,760
NET POSITION		
Net position - beginning of year	21,478,499	945,319
Restatement	(10,794)	0
Net position - beginning of year - restated	21,467,705	945,319
Net position - end of year	$ 21,927,376	$ 1,554,079

The accompanying notes are an integral part of these statements.

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas

Statements of Cash Flows

For the Year Ended June 30, 2024

	Business-type Activities	Component unit Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Student tuition	$ 2,911,737	$ 0
Institution fees	338,288	0
Program fees	464,378	0
Testing fees	130,079	0
Administrative	8,759	0
Bookstore sales	150,796	0
Contributions	0	424,820
Other	37,431	0
Employee, payroll taxes and benefits	(5,491,397)	
Vendors and contractors	(2,467,008)	(742,454)
Net cash provided (used) by operating activities	(3,916,937)	(317,634)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	3,750,053	0
Grant income	3,602,068	0
Grant expenses	(930,562)	0
Other Income	168,359	0
Other Expense	(138,134)	0
Increase in cash for student accounts	23,986	0
Net cash provided by noncapital financing activities	6,475,770	0
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Acquisition of capital assets	(1,819,296)	0
Net cash used by capital financing activities	(1,819,296)	0
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest/dividends on investments	15,045	64,635
Interest/dividends reinvested	0	(62,557)
Investment fees	0	(11,690)
Investment purchases	0	(2,024,489)
Investment sales	0	2,355,609
Net cash provided by investing activities	15,045	321,508
Net increase (decrease) in cash	754,582	3,874
Cash - beginning of the year	2,552,843	34,303
Cash - end of year	$ 3,307,425	$ 38,177
REFLECTED ON STATEMENT OF NET POSITION:		
Cash and demand deposits	$ 3,279,483	$ 38,177
Cash in Student accounts	27,942	0
	$ 3,307,425	$ 38,177

The accompanying notes are an integral part of these statements.

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas

Statements of Cash Flows

For the Year Ended June 30, 2024

	Business-type Activities	Component unit Foundation
Reconciliation of net operating Income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	$ (6,007,158)	$ 346,518
Adjustments to reconcile net income (loss) to net cash:		
Depreciation expense	1,217,986	0
Bad debt expense	102,854	0
Change in assets and liabilities:		
(Increase)/Decrease in receivables	652,550	302
(Increase)/Decrease in inventories	(85,107)	0
(Increase) Decrease in prepaid expenses	(276,891)	0
Increase/(Decrease) in accounts payable	411,994	(664,454)
Increase/(Decrease) in accrued liabilities	66,835	0
	$ (3,916,937)	$ (317,634)

The accompanying notes are an integral part of these statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Salina Area Technical College (College), Salina, Kansas, a member institution of the Kansas Board of Regents system, provides a range of educational programs to meet the needs of the adult population of Salina Area. Included in this range of programs are technical and occupational associate degree, diploma and certificate curricula consistent with the needs of employers in the College's service area. The College also provides various developmental education programs, support services and offering to assist students in meeting their personal and professional educational objectives.

The College was originally established in 1964 as the Salina Area Vocational Technical School under the Kansas Statutes Annotated 72-4401 *et seq.* The School was governed by the local public school board, USD 305 until July 1, 2009. As a result of legislative action, the School applied to become an independent technical college and was granted college status under Kansas Statutes Annotated 72-4477a, et, seq. On July 1, 2009 the College began operations as Salina Area Technical College with a new Board of Trustees as their governance model.

The Board consists of nine members recruited and selected by the Board of Trustees. Members will serve staggered three year terms, not to exceed two consecutive terms. The board will try to maintain a diversity of members from various industries represented by the curricula of the college. The Board of Trustees establishes policy and overall direction by which the College is governed.

A. Reporting Entity

The Board of Trustees of Salina Area Technical College control is the basic level of government, which has oversight responsibility and control over all activities related to providing educational services to students. The Board receives funding from federal and state government source entities and must comply with the compliance requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity", as defined by the Governmental Accounting Standards Board pronouncement, since board members are appointed by various levels of local government, has its own board, has its own decision making authority, the power to designate management, the ability to significantly influence operations, and has primary accountability for fiscal matters.

The College has implemented Governmental Accounting Standards Board (GASB) Statement Number 39, *Determining Whether Certain Organizations are Component Units*. This Statement amends GASB Statement No. 14, *The Financial Reporting Entity* to provide additional guidance to determine whether certain organizations for which the College is not financially accountable should be reported as component units based on the nature and significance of their relationship with the College.

There are two methods of presentation of component units:

1. Blended component units, although a legally separate entity from the College, they are, in substance part of the College's operations and so data from these component units are combined with data of the College.
2. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the College.

The College has one component unit: Salina Area Technical College Foundation. The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The member board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, which the Foundation holds and invests, is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College. The Foundation does not issue separate financial statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

A. Reporting Entity - continued

The Foundation is a private not-for-profit organization that reports its financial results under Financial Accounting Standards Board (FASB) Statements. Most significant to the Foundation's operation and reporting model is its accounting for contributions which are separated into with restrictions or unrestricted.

As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences; however significant note disclosures to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial statements – and Management's Discussion and Analysis, for State and Local Governments,* Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis of Public Colleges and Universities*, issued in June and November, 1999 and Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The financial statement presentation required by GASB Statements No. 34, 35 and 37 provides a comprehensive, entity-wide perspective of the College's assets, liabilities, net assets, revenues, expenses, changes in net assets and cash flows. Accordingly for financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Consequently, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency and intra-fund transactions have been eliminated.

Fund types and major funds consist of the following:

Governmental funds: The College has no governmental funds.

Proprietary funds

Financial statements of the reporting entity's programs are organized and reported as an enterprise fund and are accounted for by providing a set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Enterprise funds are used to account for business-like activities provided to students. These activities are financed primarily by tuition and/or state and federal funding and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes all of the College's activities as an enterprise fund

Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes; federal, state, and local grants; state appropriations, and other contributions. On an accrual basis, revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the College must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting policies of the College conform to accounting principles generally accepted in the United States of America as applicable to colleges and universities. The College's reports are based on all applicable GASB pronouncements as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. When applicable, certain prior year amounts have been reclassified to conform to the current year presentation. The following is a summary of the more significant policies.

C. Cash and Cash Equivalents

Cash includes deposits held at local financial institutions plus small amounts maintained for change funds. Cash equivalents include certificates of deposit with maturities of three months or less.

D. Accounts Receivable

Accounts receivable consist primarily of student accounts for books and class fees. An allowance for doubtful accounts is based upon accounts sent to collection.

E. Inventories and Prepaid Items

Inventories consist primarily of items held for resale by the bookstore. Value is determined by the cost method for the bookstore. The bookstore costs are recorded as expenses as the inventory is consumed. Certain payments to vendors reflect costs applicable to future periods. Such payments, in the accompanying financial statements, are recorded as prepaid items and reflected as other assets.

F. Deferred Revenues

Deferred revenues include: (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year; and (2) amounts received from grant and contract sponsors that have not been earned. Total deferred revenue for year ended June 30, 2024 was $0.

G. Net Position

GASB Statement No. 34 reports equity as "Net Position" rather than "fund balance". Net position is classified according to external donor restrictions or availability of assets for satisfaction of College obligations. The College's net position is classified as follows:

Invested in capital assets – This represents the College's total investment in capital assets, net of accumulated depreciation.

Restricted net position – expendable – This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first; then unrestricted resources when they are needed.

Unrestricted net position – This includes resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

H. Capital Assets

Capital assets include property, plant equipment, and infrastructure assets, such as parking lots and sidewalks. The College defines capital assets as assets with an initial unit cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Major outlays of capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the College are depreciated using the straight-line method over the following useful lives:

Buildings	30 years
Building improvements	7-15 years
Equipment	5-10 years
Vehicles	5 years
Computers	3 years

I. Classification of Revenues

The College has classified its revenues as either Operating or Non-Operating. Operating revenues include activities that have the characteristics of exchange transactions, such as (a) student tuition and (b) fees and rentals. Non-operating revenue includes activities that have the characteristics of non-exchange transactions such as (a) state appropriations (b) most federal, state, and local grants and contracts and federal appropriations, and (c) gifts and contributions.

J. Federal Financial Assistance Programs

The College participates in federally funded Pell Grant and Federal Family Education Loans programs. Federal programs are audited in accordance with the Single Audit Act Amendments of 1996 and the Uniform Guidance.

K. Financial Aid

Financial aid to students is reported in the basic financial statements under the alternative method as prescribed by the National Foundation of College and University Business Offices (NACUBO). Certain aid, such as loans and funds provided to students as awarded by third parties, is accounted for as a third party payment (credited to the student's account as if the student made the payment).

L. Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses during the reporting period. Actual amounts may differ from those estimates.

M. Revenue Recognition

Revenue recognition for educational services provided to students is generally received at the beginning of a semester and recognized by the end of the semester when educational course end and student has received final grades. There is no warranty or other guarantees associated with the educational courses the College offers.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

N. Compensated Absences

It is the College's policy to grant faculty employee's ten (10) leave days for each school year. Any unused leave is allowed to accumulate to a maximum of 120 days. Upon retirement or resignation, those with fifteen (15) years or more of service shall receive compensation for days of unused accumulated leave. Staff employees may accumulate a maximum of 10 days of unused leave. The estimated amount of unused accumulated leave which qualifies for pay out was $9,108 for faculty and $48,313 for staff for year ended June 30, 2024 and is included in accrued liabilities.

O. Budget

In accordance with Kansas statutes, the College has prepared an annual operating budget for submission to the Kansas Board of Regents. The budget establishes the amount of post-secondary aid to be received. The budget sets the level for expenditures at the fund level. Post-secondary aid is established by formula so the budget is advisory only and is not legally binding. The operating budget is prepared on the accrual basis of accounting. The Board of Regents did not require a budget to be submitted this fiscal year.

P. Component Unit

The Foundation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors. Accordingly, net position and changes therein are classified as follows:

With Donor Restrictions – Net position subject to donor-imposed stipulations that the Foundation must expend for a specific purpose outlined by the donor or must permanently maintain the donation and expend only the income from the donation

Without Donor Restrictions – Net position not subject to donor-imposed restrictions.

Revenues are reported as increases in without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions for in kind gifts from outside sources are not recorded in the Foundation's financial records, but are accounted for and acknowledged separately.

Expenses are reported as decreases in without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in "without donor restrictions" unless their use is restricted by explicit donor stipulation or by law.

Q. Donor-Restricted Endowments

The Foundation invests all donor-restricted endowments in a mutual fund. Actual earnings of the investments are allocated based on each endowment's portion of the balance. Earnings are then transferred to the College for spending as restricted by the donor.

R. Non-cash Transactions

During the year ended June 30, 2024 the College did not receive any non-cash donations.

2. DEPOSITS AND INVESTMENTS

As of June 30, 2024, the College was invested in money markets and certificates of deposit reported at fair value with a maturity of two years or less in accordance with Kansas Statutes.

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

K.S.A. 12-1675 limits the College'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 State Municipal Investment Pool. The College has no investment policy that would further limit its investment choices.

Concentration of credit risk; State statutes place no limit on the amount the College may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The College's allocation of investments as of June 30, 2024 was 100% in money market funds and certificates of deposit.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. State statutes require the College's deposits in financial institution to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The College's did not have any designated peak periods for the current year. All deposits were legally secured at June 30, 2024.

At June 30, 2024 the College's carrying amount of deposits $3,307,425 and the bank balance was $3,538,750. The difference between carrying amounts and bank balances represents primarily checks that have not cleared the bank and deposits in transit. The balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $251,445 was covered by federal deposit insurance and $3,287,305 was collateralized with securities held by the pledging financial institution's agent in the College's name.

The Foundation's purpose is to raise funds for the awarding of scholarships to students attending the College. The Foundation is a not-for-profit operating as a 501(c)3 under IRS regulation. This is the only component unit of the College and will be discretely presented in the financial statements. The investments are reported at fair market value. Fair market value was obtained from quoted market values.

At June 30, 2024 the Foundation's cash balances at the investment firm were $38,177.

The Foundation determines the appropriate classification of its investments in debt and equity securities at the time of purchase and reevaluates such determinations at each balance-sheet date. Debt securities are classified as held-to-maturity when the Foundation has the positive intent and ability to hold the securities to maturity. Debt securities for which the Foundation does not have the intent or ability to hold to maturity are classified as available-for-sale. Held-to-maturity securities are recorded as either short-term or long-term on the balance sheet, based on contractual maturity date and are stated at amortized cost. Marketable securities that are bought and held principally for the purpose of selling them in the near term are classified as trading securities and are reported at fair value, with unrealized gains and losses recognized as earnings. Debt and marketable equity securities not classified as held-to-maturity or as trading, are classified as available-for-sale, and are carried at fair market value, with the unrealized gains and losses, included in the determination of changes in net assets.

2. DEPOSITS AND INVESTMENTS - continued

As defined in ASC 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework also provides a hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. Inputs used in the valuation methods can be either readily observable, market corroborated or generally unobservable inputs. Based on the observability of the inputs used in the valuation methods, the Foundation is required to provide the following information according to the fair value hierarchy.

In determining fair value, the Foundation used various valuation methods including the market, income and cost approaches. The assumptions used in the application of these valuation methods are developed from the perspective of market participants pricing the asset or liability.

The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. The three levels of the fair value hierarchy are described below:

Level 1: Quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2: Observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used, need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Management is responsible for the determination of fair value. The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value. There has been no change in the levels or methodologies used from prior years as of June 30, 2024.

Investments are carried at fair value on the statements of net position. Fair value is determined using observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets (Level 2). Available-for-sale securities at June 30, 2024 were made up of the following types of securities:

Interest rate risk- as a means of limiting its exposure to fair value losses arising from rising interest rates, the College investment policy limits the College's investments in mutual bond funds to less than a year. The mutual bond funds noted above as of June 30, 2024, had a weighted average maturity of 9 months.

2. DEPOSITS AND INVESTMENTS - continued

All investments are valued using Level 2 inputs

Mutual Funds	Fair Value	Less than 1 yr	1-2 yr	Rating
American Century US Quality Growth ETF	$ 87,776	$ 87,776	$ 0	N/A
Brandywine Global High Yield CL I	43,632	43,632	0	N/A
Fidelity Advisor Intl Small Cap Opptys CL I	42,519	42,519	0	N/A
Fidelity Advisor Investment Grade Bond CL I	102,179	102,179	0	N/A
Goldman Sachs GQG Partners Intl Opptys Investor CL	119,654	119,654	0	N/A
Harbor Small Cap Growth Instl CL	57,884	57,884	0	N/A
Janus Henderson Enterprise CL I	59,125	59,125	0	N/A
JP Morgan Mkt Expansion ENH Eqty ETF	58,452	58,452	0	N/A
JP Morgan Intl Resh ENH Equity ETF	102,476	102,476	0	N/A
JP Morgan US Quality Factor ETF	142,647	142,647	0	N/A
Performance Trust Total Return Bond	87,042	87,042	0	N/A
Pimco Income CL I2	55,914	55,914	0	N/A
Putnam Global Health Care CL Y	59,543	59,543	0	N/A
Sector Technology Select Sector SPDR ETF	60,856	60,856	0	N/A
TransAmerica Short Term Bond CL I	43,617	43,617	0	N/A
WisdomTree US Large Cap Dividend ETF	166,234	166,234	0	N/A
Total Mutual Funds	1,289,550	1,289,550	0	
Equities				
Apple Inc	131,427	131,427	0	N/A
Intuitive Surgical Inc New	80,518	80,518	0	N/A
Total Equities	211,945	211,945	0	
Greater Salina Community Foundation	43,728	43,728	0	
Total Investments	1,545,223	$ 1,545,223	$ 0	
Cost	1,430,806			
Net unrealized gain (loss)	$ 114,417			

These are the only investments and consist of mutual funds under one investor. Unrealized gains (losses) for the year ended June 30, 2024 were $155,190. Investment return for the year ended June 30, 2024 consists of the following:

Interest and dividends	$ 64,635
Realized gains (losses)	54,107
Unrealized gains (losses)	155,190
Investment fees	(11,690)
Total investment return	$ 262,242

3. ACCOUNTS RECEIVABLE DETAIL

Accounts receivable	$ 147,144
Accounts receivable - student	518,014
Accounts receivable - collections	247,154
Due from Foundation	29,321
Due from GOF	20,713
Total accounts receivable	962,346
Less allowance for doubtful accounts	(247,154)
Net accounts receivable	$ 715,192

4. INVENTORY DETAIL

Books, apparel and supplies	$ 270,136

5. CAPITAL ASSETS

The following table summarized the changes in capital assets for fiscal year 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets				
Improvements	$ 3,417,116	$ 31,233	$ 0	$ 3,448,349
Furniture	120,831	0	0	120,831
Equipment	2,870,965	159,323	0	3,030,288
Vehicles	149,544	80,168	0	229,712
Computer software	180,571	0	0	180,571
Computer	758,012	25,269	0	783,281
Buildings	15,910,880	0	0	15,910,880
Land	558,810	0	0	558,810
Construction in process	93,660	1,409,655	0	1,503,315
Total Costs	24,060,389	1,705,648	0	25,766,037
Less Accumulated Depreciation				
Leasehold improvements	(2,180,566)	(222,654)	0	(2,403,220)
Furniture	(116,408)	(1,344)	0	(117,752)
Equipment	(2,085,607)	(244,382)	0	(2,329,989)
Vehicles	(101,932)	(18,791)	0	(120,723)
Computer software	(167,744)	(6,807)	0	(174,551)
Computer	(750,657)	(6,548)	0	(757,205)
Buildings	(1,022,630)	(717,460)	0	(1,740,090)
Total Accumulated Depreciation	(6,425,544)	(1,217,986)	0	(7,643,530)
Net Capital Assets	$ 17,634,845	$ 487,662	$ 0	$ 18,122,507

6. ACCRUED LIABILITIES CONSIST OF THE FOLLOWING:

	Balance June 30, 2024
Payroll liabilities	$ 2,497
Payroll payable	311,375
Sales tax payable	1,384
Total accrued liabilities	$ 315,256

7. PENSION PLANS

Kansas Public Employees Retirement System

Plan Description – The College participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.SA. 74-4901, *et seq.* KPERS' provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas' law establishes and amends benefit provisions. KPERS' issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Contributions - K.S.A. 74-4919 and K.S.A. 74-49210 establish the KPERS member-employee contributions rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is 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 rate for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 13.88% and 13.11%, respectively, for the fiscal year ended June 30, 2023. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57% for the fiscal year ended June 30, 2024.

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

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

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

7. PENSION PLANS - continued

Kansas Public Employees Retirement System – continued

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

The State of Kansas is required to contribute the statutory required employer's share and makes these directly to KPERS.

Net Pension Liability - At June 30, 2024, the College's proportionate share of the collective net pension liability report by KPERS was $0, which is an obligation of the State of Kansas. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The College's proportion of the net pension liability was based on the ratio of the College'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, 2023. 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.

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 benefits payments. The employer contribution rate is set at 1% for the year ended June 30, 2024.

403(b) Plan - The College also offers a 403(b) plan for faculty and administration employees hired before July 1, 2009. Under the plan the College will contribute a specified amount per contract year to eligible faculty members. The faculty members are not vested in the College's contribution until the 6th consecutive year of employment and then at the following schedule: 6th year 10%, 7th year 20%, 8th year 30%, 9th year 40%, 10th year 50%, 11th year 60%, 12th year 70%, 13th year 80%, 14th year 90% and 15th year 100%. The amount contributed by the College for this retirement plan for the year ended June 30, 2024 was $3,667.

8. RELATED PARTY TRANSACTIONS

During the year board members sometimes have students work on their vehicles to assist the student by providing hands on training. At year end there were no receivables from or payables to related parties.

9. FLEXIBLE BENEFIT PLAN (I.R.C. Section 125)

The College adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All employees of the College are eligible to participate in the Plan beginning the first day of the month following their employment. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. Currently, benefits offered through the Plan include health insurance and life insurance, dependent care coverage and a medical reimbursement plan.

10. POST EMPLOYMENT BENEFITS

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA) the College makes health care benefits available to eligible former employees and their dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid entirely by the insured. There is no cost to the College under this program.

11. CONTINGENCIES AND COMMITMENTS

Federal Financial Aid – Amounts received or receivable from grantor agencies are subject to audit and adjustment by these agencies, primarily the federal government. Any disallowed costs, including amounts already collected, may constitute a liability of the College. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time, although College management expects such amounts, if any, to be immaterial.

State Funding – Due to continued funding uncertainties at the State level, future funding for the College may be reduced. The ultimate effect of this possible reduction in funding on the College's future operations is not yet determinable.

Accreditation – The Kansas Board of Regents requires that all technical colleges be accredited by the Higher Learning Commission. Salina Area Technical College is currently accredited with the Higher Learning Commission, a level accepted by the Kansas Board of Regents.

Compliance with Kansas Statutes - References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and reports and interpretation by the County Attorney and legal representation of the College. Management is not aware of any statute violations during the year.

12. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Insurance claims have not exceeded commercial insurance coverage for the past three years. There were not significant reductions in insurance coverage from coverage in prior years.

13. GREATER SALINA COMMUNITY FOUNDATION

The Greater Salina Community Foundation has created an account in the name of Salina Area Technical College. The College does not have access to any funds from the account until the balance reaches $10,000. Once that balance is achieved, the College will be able to access the income from the account to provide scholarships to students. At June 30, 2024 the balance was $43,728.

14. FOUNDATION NET ASSETS AND INVESTMENT POLICY

Foundation net assets composition by type of fund as of June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions
Net Position - beginning of year	$ 331,983	$ 613,336
Investment Return		
Interest and dividends	64,635	0
Investment fees	(11,690)	0
Realized Gains (Losses)	54,107	0
Unrealized Gains (Losses)	155,190	0
Total investment return	262,242	0
Contributions	0	424,518
Scholarships	0	(78,000)
Other	0	0
Net of contributions and expenses	0	346,518
Net position - end of year	$ 594,225	$ 959,854

The Foundation currently does not have any formal written policy which outlines the Foundations purpose, policy, investment goals, standard of care, portfolio strategy or spending policy. The restrictions and expenditures for scholarships are based upon the requirements made by the donors which consisted of requests to use the donations for scholarships. The Foundation is in the process of reviewing the above and establishing formally polices in the future.

15. RESTATEMENT

The prior year ending balance for net position has been restated to include an adjustment to worker order income as follows:

Beginning balance	$ 21,478,499
Restatement for receivable at year end not posted	(10,794)
Net position restated	$ 21,467,705

16. SUBSEQUENT EVENTS

The College evaluated subsequent events through January 7, 2025, the date of the financial statements were available to be issued. The College received a grant from the Kansas Department of Commerce through the ARPA federal program to construct and equip a building for Industrial Maintenance and Automation programs. The contracted construction cost was $5,213,000 with some additional amounts applicable for change orders, equipment, and furnishings. The construction progress is estimated at 75% completion. Additional funds were raised by capital outlay tax credits, donations, and private grants. Overall estimated land and buildings are $6,000,000.

SUPPLEMENTARY INFORMATION

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas

Schedule of Revenues and Expenses compared to Budget

For the Year Ended June 30, 2024

	Actual	Original Budget	Budget Variance
REVENUES			
Operating Revenues			
Student tuition	$ 2,259,187	$ 1,950,000	$ (309,187)
Institution fees	338,288	615,000	276,712
Program fees	464,378	0	(464,378)
Testing fees	130,079	0	(130,079)
Administrative	8,759	0	(8,759)
Bookstore	150,796	0	(150,796)
Other	37,431	15,000	(22,431)
Total operating revenues	3,388,918	2,580,000	(808,918)
EXPENSES			
Operating Expenses			
Instruction	4,567,287	4,402,521	(164,766)
Academic support	328,576	356,632	28,056
Student Services	842,752	842,640	(112)
Administration	1,287,412	1,205,948	(81,464)
Maintenance	821,992	857,092	35,100
Bookstore	330,071	0	(330,071)
Depreciation	1,217,986	1,156,450	(61,536)
Total operating expenses	9,396,076	8,821,283	(574,793)
Operating income (loss)	(6,007,158)	(6,241,283)	(234,125)
NONOPERATING REVENUES (EXPENSES)			
State appropriations	3,750,053	3,743,697	(6,356)
Capital outlay grant	2,514,553	0	(2,514,553)
Capital outlay expenses	(65,412)	0	65,412
Carl Perkins grant	112,231	0	(112,231)
Carl Perkins expenses	(52,477)	0	52,477
COVID grant	968,175	0	(968,175)
COVID grant expense	(755,378)	0	755,378
Operating grant expenses	(31,300)	0	31,300
MOE grant expenses	(25,995)	0	25,995
Summer camp revenue	11,179	0	(11,179)
Summer camp expenses	(4,434)	0	4,434
Other revenue	4,824	0	(4,824)
Other grants	7,109	0	(7,109)
Other expenses	(3,582)	0	3,582
Work orders revenue	152,121	0	(152,121)
Work orders expenses	(130,118)	0	130,118
Rent Income	235	0	(235)
Investment income	15,045	0	(15,045)
Net nonoperating revenues (expenses)	6,466,829	3,743,697	(2,723,132)
Increase (decrease) in net position	$ 459,671	$ (2,497,586)	$ (2,957,257)

See Independent Auditor's Report.

SALINA AREA TECHNICAL COLLEGE
Salina, Kansas

Schedule of Expenses by Function and Object
For the Year Ended June 30, 2024

	Instruction	Academic Support	Student Services
Salaries	$ 3,126,550	$ 132,601	$ 490,570
Social security	219,419	9,776	35,676
Unemployment	2,912	128	466
Health insurance	242,976	20,804	82,492
Retirement	3,667	0	0
Faculty Professional Development	12,625	0	0
Supplies	232,888	0	17,040
Resource materials	759	0	0
Equipment expense	85,238	0	0
Software license	38,557	0	0
Instructional memberships	13,706	0	0
Student testing	135,539	0	0
Tuition assistance	30,118	0	0
High School SB155	194,837	0	0
Technology	195,360	0	0
Program development	0	0	31,452
IT services	0	165,267	0
Student liability insurance	0	0	1,750
Graduation	0	0	25,930
Postage	0	0	19,678
Travel	14,662	0	1,700
Printing/advertising	0	0	95,881
Student uniforms	17,474	0	0
Professional development	0	0	5,413
Student activity	0	0	25,013
Recruiting	0	0	9,691
Audit/consulting expense	0	0	0
Legal services	0	0	0
Advisory/Business meetings	0	0	0
Institutional memberships	0	0	0
HLC expense	0	0	0
KBI and drug testing	0	0	0
Bad debts recovery	0	0	0
Payroll expense	0	0	0
HRA medical	0	0	0
Administration - misc.	0	0	0
Copy machine	0	0	0
Insurance - bldg./liability	0	0	0
Utilities	0	0	0
Building maintenance/repair	0	0	0
Depreciation	0	0	0
Equipment repair/replacement	0	0	0
Environmental	0	0	0
Care of grounds	0	0	0
Faculty/staff uniforms	0	0	0
Vehicle operation	0	0	0

See Independent Auditor's Report.

Administration	Maintenance	Book Store	Total
$ 745,819	$ 265,842	$ 0	$ 4,761,382
52,950	20,328	0	338,149
680	255	0	4,441
61,440	42,881	0	450,593
0	0	0	3,667
0	0	0	12,625
49,141	8,721	0	307,790
0	0	0	759
0	0	0	85,238
0	0	0	38,557
0	0	0	13,706
0	0	0	135,539
0	0	0	30,118
0	0	0	194,837
0	0	0	195,360
0	0	0	31,452
0	0	0	165,267
0	0	0	1,750
0	0	0	25,930
0	0	0	19,678
2,416	0	0	18,778
906	0	0	96,787
0	0	0	17,474
15,231	0	0	20,644
0	0	0	25,013
0	0	0	9,691
17,014	0	0	17,014
735	0	0	735
21,908	0	0	21,908
44,204	0	0	44,204
10,881	0	0	10,881
5,848	0	0	5,848
102,854	0	0	102,854
18,639	0	0	18,639
90,156	0	0	90,156
46,590	0	0	46,590
0	10,381	0	10,381
0	207,759	0	207,759
0	183,939	0	183,939
0	42,387	0	42,387
0	1,217,986	0	1,217,986
0	17,806	0	17,806
0	3,933	0	3,933
0	4,493	0	4,493
0	6,215	0	6,215
0	6,922	0	6,922

See Independent Auditor's Report.

SALINA AREA TECHNICAL COLLEGE
Salina, Kansas

Schedule of Expenses by Function and Object
For the Year Ended June 30, 2024

	Instruction	Academic Support	Student Services
Local capital outlay	$ 0	$ 0	$ 0
Cost of books	0	0	0
	$ 4,567,287	$ 328,576	$ 842,752

See Independent Auditor's Report.

Administration	Maintenance	Book Store	Total
$ 0	$ 130	$ 0	$ 130
0	0	330,071	330,071
$ 1,287,412	$ 2,039,978	$ 330,071	$ 9,396,076

See Independent Auditor's Report.

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

	Federal CFDA Number	Revenues	Expenditures
U.S. Department of Education			
Direct Programs			
Student Financial Assistance Cluster (SFA)			
Pell Grant Program	84.063	$ 809,193	$ 809,193
Federal Direct Student Loans	84.268	838,655	838,655
Total for cluster		1,647,848	1,647,848
Education Stabilization Fund	84.425	813,896	755,378
Passed through Kansas Board of Regents			
Career and Technical Education	84.048	112,231	112,231
Total U.S. Department of Education		2,573,975	2,515,457
U.S. Department of the Treasury			
Pass Through			
Saline County			
State and local fiscal recovery funds	21.027	154,278	154,278
Total U.S. Department of the Treasury		154,278	154,278
Total Federal Assistance		$ 2,728,253	$ 2,669,735

There were no amounts that were passed through to subrecipients.

See Independent Auditor's Report.

See following notes to this schedule.

SALINA AREA TECHNICAL COLLEGE
Salina, Kansas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2024

NOTE A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Salina Area Technical College under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements 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 select portion of the operations of Salina Area Technical College, it is not intended to and does not present the statements of net position, changes in net position or cash flows of Salina Area Technical College.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the basis of U.S. generally accepted accounting principles. Expenditures as reported on the Schedule are recognized under the basis described above and follow the cost principles contained in the Uniform Guidance regarding *Cost Principles* wherein certain types of expenditures are not allowed or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE C. NON-CASH ASSISTANCE, INSURANCE AND LOANS

The College did not receive or expend any Federal awards in the form of noncash assistance, insurance, loans or loan guarantees for the year ended June 30, 2024.

NOTE D. INDIRECT COST RATES

Salina Area Technical College has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

SPECIAL REPORTS

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Agler & Gaeddert CHARTERED
Certified Public Accountants

Harold K. Mayes, CPA
Lucille L. Hinderliter, CPA

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

Board of Trustees
Salina Area Technical College
Salina, Kansas

We have audited, in accordance with 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 Salina Area Technical College as of and for the year ended June 30, 2024, and the related notes to the financial statements, which comprise Salina Area Technical College's basic financial statements, and have issued our report thereon dated January 7, 2025.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered Salina Area Technical College's internal control over financial reporting (internal controls) to determine the 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 Salina Area Technical College's internal control. Accordingly, we do not express an opinion on the effectiveness of Salina Area Technical College'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 deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material misstatements of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less serve than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Salina Area Technical College's financial statement is free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harold K. Mayes Jr

Harold K Mayes Jr CPA
Agler & Gaeddert, Chartered Ottawa, Ks
January 7, 2025

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

Board of Education
Salina Area Technical College
Salina, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Salina Area Technical College's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Salina Area Technical College's major federal programs for the year ended June 30, 2024. Salina Area Technical College'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, Salina Area Technical College 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 identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2024.

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 Salina Area Technical College 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 Salina Area Technical College'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 Salina Area Technical College'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 Salina Area Technical College'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 Salina Area Technical College'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 Salina Area Technical College'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 Salina Area Technical College'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 Salina Area Technical College'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 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been 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 the testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Harold K. Mayes Jr

Harold K Mayes Jr CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
January 7, 2025

SALINA AREA TECHNICAL COLLEGE

Salina, Kansas
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified not considered to be material weaknesses:	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified not considered to be material weaknesses:	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) Uniform Guidance	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster	Amount
Student Financial Assistance Cluster (SFA)		
84.063	Pell Grant Program	$ 809,193
84.268	Federal Direct Student Loan	838,655
	Total for Student Financial Assistance Cluster	1,647,848
84.425	Education Stabilization Fund	755,378
		$ 2,403,226

Dollar threshold used to distinguish between Type A and Type B programs	$ 750,000
Auditee qualified as a low-risk auditee?	Yes

Schedule of Findings and Questioned Costs
Under Government Auditing Standards
None
For year ended June 30, 2024

Schedule of Findings and Questioned Costs
Under Uniform Guidance
None
For year ended June 30, 2024