UNIFIED SCHOOL DISTRICT NO. 286
Sedan, Kansas

Independent Auditors' Report and
Regulatory Basis Financial Statement
With Supplementary Information

For the Year Ended June 30, 2024

Unified School District No. 286
Sedan, Kansas
Regulatory Basis Financial Statement
For the Fiscal Year Ended June 30, 2024

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Unified School District No. 286
Sedan, Kansas
Regulatory Basis Financial Statement
For the Fiscal Year Ended June 30, 2024

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INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 286
Sedan, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 286, Sedan, Kansas, as of and for the year ended June 30, 2024, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse and Unmodified Opinions" section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District, as of June 30, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District, as of June 30, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statement" section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

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

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

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 summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds, and summary schedule of regulatory basis receipts, expenditures, and unencumbered cash-district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 286, Sedan, Kansas, as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated April 15, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year June 30, 2024 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 comparative information is fairly stated in all material respects in relation to the 2023 basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the District's basic financial statement. 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 statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 7, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Rodney M. Burns, CPA, LLC

Rodney M. Burns, CPA, LLC
Certified Public Accountants

Chanute, Kansas
March 7, 2025

Unified School District No. 286
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2024

		Beginning Unencumbered Cash Balance	Beginning Balance Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:								
General		$		4,325,818	4,325,818		3,478	3,478
Supplemental General		54,279		1,304,888	1,320,000	39,167	176,091	215,258
Special Purpose:								
At Risk K-12		304,292		830,342	746,049	388,585	5,040	393,625
Bilingual Education		4,371		1,716	5,145	942		942
Capital Outlay		2,180,659		304,434	259,068	2,226,025	72,583	2,298,608
Driver Training		27,287		5,483	5,177	27,593		27,593
Food Service		202,798		267,912	352,713	117,997	1,665	119,662
Special Education		322,819		1,287,945	1,272,190	338,574		338,574
Career and Postsecondary Education		57,939		330,241	155,016	233,164	418	233,582
Gifts and Grants	(2)	462	250	62,680	59,885	3,507		3,507
KPERS Special Retirement Contribution				382,799	382,799			
Contingency Reserve		245,967		4,086		250,053		250,053
Textbook and Student Material Revolving		36,837		5,986	1,423	41,400		41,400
Recreation Commission		1,778		22,359	23,134	1,003		1,003
Elementary/Secondary School Emergency Relief		(672,363)		908,239	235,876		1,900	1,900
21st Century Community Learning Centers		(33,053)		82,949	49,896			
CCCP Grant				60,691	60,691			
REAP Grant				20,876	39,401	(18,525)		(18,525)
Title I				151,528	151,528			
Improving Teacher Quality				16,356	16,356			
KDHE COVID Testing Grant		(2,930)		36,343	41,238	(7,825)		(7,825)
Title IV-A				18,082	18,082			
Gate Receipts		4,079		84,362	84,564	3,877		3,877
Special Projects		16,106		6,946	9,483	13,569		13,569
Trusts:								
Patterson Foundation				150,000	56,205	93,795		93,795
Blue Devil Foundation				5,272		5,272		5,272
Paul Crawford Donation		12,799		2,000	1,107	13,692		13,692
Appleby FCCLA Contribution		99,877		25,595	1,438	124,034		124,034
Appleby Pre-K Contribution		70,155		17,063	856	86,362		86,362
Total Primary Government	(1)	2,934,158	250	10,722,991	9,675,138	3,982,261	261,175	4,243,436

Composition of Cash:	
Certificates of Deposit	1,000,000
Demand Deposits	3,563,552
Petty Cash Advance	1,500
Less: Agency Funds	(321,615)
Adjustment for Rounding	(1)
Total Primary Government (1)	4,243,436

(1) Excluding Agency Funds
(2) Beg Bal Adjust - Prior Year Encumbrances Cancelled

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

Note 1 Summary of Significant Accounting Policies

The financial statement and schedules of Unified School District #286, Sedan, Kansas, have been prepared in order to show compliance with the cash basis and budget 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 District's accounting policies follow. Note 1 describes how the District's accounting policies differ from accounting principles generally accepted in the United States of America.

Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 286, and includes the primary government only, with no related municipal entities.

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide 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 Kansas Municipal Audit and Accounting Guide regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

Basis of Presentation

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 Regulatory Basis Fund Types comprise the financial activities of the District for the year ending June 30, 2024:

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

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

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

Agency Funds -- funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

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 statements 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 District 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 District employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. Under Kansas State Law, the State of Kansas will fund all employer pension costs accrued; such costs to be funded are actuarially determined annually by the State.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The municipality did hold a revenue neutral rate hearing for the year ending June 30, 2024.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. During the year ended June 30, 2024, the District had no such amendments.

Subsequent to the adoption of this amendment, the State of Kansas cut the budget of the General Fund to the legal maximum amount of $4,325,818. This legal maximum budget is computed based on audited full-time-equivalent enrollment.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds of the District:

Gifts and Grants Fund
Contingency Reserve Fund
Textbook and Student Material Revolving Fund
Elementary/Secondary School Emergency Relief Fund
21st Century Community Learning Centers Fund
CCCP Grant Fund
REAP Grant Fund
Title I Fund
Improving Teacher Quality Fund
KDHE COVID Testing Grant Fund
Title IV-A Fund
Gate Receipts Fund
Special Projects Fund

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

Note 2 Deposits and Investments

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

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

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District had no investments at June 30, 2024 and held no investments throughout the year.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated any peak periods.

At June 30, 2024, the carrying amount of the District's deposits was $4,563,552 and the bank balance was $4,987,032. Of the bank balance, $750,000 was covered by federal depository insurance and the remaining $4,237,032 was collateralized with securities held by the pledging financial institutions' agents in the School's name.

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

Note 3 Long-term Debt

Changes in Long-Term Debt

Changes in long-term debt for the year ending June 30, 2024 were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year
Early Retirement Program	-	10,710		10,710
Total Contractual Indebtedness	-	10,710	-	10,710

Payments due in subsequent years, as of June 30, 2024, are as follows:

	Early Retirement Program
2024-25	$ 7,140
2025-26	3,570
Total	10,710

Note 4 Risk Management

Insurance Coverage

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The District manages these risks of loss through the purchase of various insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 5 Interfund Transfers

From	To	Regulatory Authority	Amount
General Fund	At Risk K-12 Fund	K.S.A. 72-5167	$ 662,966
General Fund	Food Service Fund	K.S.A. 72-5167	1,096
General Fund	Special Education Fund	K.S.A. 72-5167	692,291
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	321,559
General Fund	Contingency Reserve Fund	K.S.A. 72-5167	4,086
Supplemental General Fund	At Risk K-12 Fund	K.S.A. 72-5143	167,376
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	1,716
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	551,133

Note 6 Other Long-Term Obligations from Operations

Compensated Absences

The school district's leave policy allows crediting each certified employee with 13 days leave per year - 14 per year after 15 years service - up to a maximum of 75 days. Classified year-round employees accrue 12 days leave per year, up to a maximum of 70 days. Classified nine-month employees accrue 9 days leave per year up to the maximum of 70 days. At retirement certified employees with 10 years or more of service are compensated for a maximum of 60 days of accumulated leave at the current substitute teacher pay rate. At retirement, classified employees with 10 years or more of service are compensated for a maximum of 60 days of accumulated leave at their current rate of pay. At the end of each contract year each employee is compensated for days in excess of their respective maximum, at the same rate they would receive if they had retired.

Early Retirement Incentive Plan

The school district's professional employee early retirement plan provides the following:

1. Employee will receive $595 per month towards a district sponsored health insurance plan, paid by the district through the month of their sixty fifth birthday if:

    a. Employee has reached the age of sixty-two and has 20 or more years of service
    b. Employee has reached the age of sixty and has 25 or more years of service

2. Employee will receive $595 per month towards a district sponsored health insurance plan, paid by the district for the first twelve months following their retirement school year if:

    a. Employee has not reached the age of sixty and has 25 or more years of service

Defined Benefit Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (2611 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 13.88% and 12.57%, respectively, 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.

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 except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $382,799 from the State of Kansas for the year ended June 30, 2024.

Net Pension Liability. At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $3,792,529 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 District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2023. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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.

Note 7 Stewardship, Compliance, and Accountability

Compliance with Kansas Cash Basis Law

The following funds had deficit unencumbered cash balances as of June 30, 2024, in the amounts indicated:

REAP Grant Fund	$ 18,525
KDHE COVID Testing Grant Fund	7,825

In each of these funds, this deficit balance was caused by expenditures made in anticipation of federal funding reimbursements to be received in the 2024-25 fiscal year. This is not a violation of the Kansas Cash Basis Law.

Compliance with Kansas Budget Law

No violations.

Compliance with Kansas Depository Security Law

No violations.

Note 8 Subsequent Events

The District has evaluated subsequent events through March 7, 2025, the date which the financial statement was available to be issued.

SUPPLEMENTARY INFORMATION

Unified School District No. 286
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:						
General	$ 4,525,776	(199,958)		4,325,818	4,325,818	
Supplemental General	1,320,000			1,320,000	1,320,000	
Special Purpose:						
At Risk K-12	1,184,920			1,184,920	746,049	(438,871)
Bilingual Education	6,530			6,530	5,145	(1,385)
Capital Outlay	2,400,000			2,400,000	259,068	(2,140,932)
Driver Training	8,750			8,750	5,177	(3,573)
Food Service	427,500			427,500	352,713	(74,787)
Special Education	1,584,072			1,584,072	1,272,190	(311,882)
Career and Postsecondary Education	172,000		8,432	180,432	155,016	(25,416)
KPERS Special Retirement Contribution	458,168			458,168	382,799	(75,369)
Recreation Commission	23,134			23,134	23,134	
Totals	12,110,850	(199,958)	8,432	11,919,324	8,847,109	(3,072,215)

Unified School District No. 286
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Reimbursements	$ 21,257			
Revenue from State Sources				
General State Aid	3,517,199	3,630,621	3,536,446	94,175
Mineral Production Tax	3,081	2,906		2,906
Special Education Aid	688,471	692,291	789,372	(97,081)
Total Revenue from State Sources	4,208,751	4,325,818	4,325,818	
Total Cash Receipts	4,230,008	4,325,818	4,325,818	
Expenditures and Transfers				
Instruction				
Certified Salaries	439,434	942,676	500,000	442,676
Non-Certified Salaries	23,704	7,522	35,000	(27,478)
Group Insurance	247,764	278,017	260,000	18,017
Social Security	87,066	72,148	100,000	(27,852)
Other Employee Benefits	11,536	1,208	15,000	(13,792)
Supplies and Materials	41,314	50,418	50,000	418
Property (Equipment & Furnishings)	2,693	3,613	20,000	(16,387)
Other		399		399
Total Instruction	853,511	1,356,001	980,000	376,001
Support Services - Students				
Certified Salaries	42,745	46,911	50,000	(3,089)
Non-Certified Salaries	53,909	12,047	60,000	(47,953)
Group Insurance	15,560	15,379	18,000	(2,621)
Social Security	7,085	6,897	9,000	(2,103)
Other Employee Benefits	677	77	2,000	(1,923)
Purchased Professional and Technical Services	4,792	5,761	7,500	(1,739)
Purchased Property Services			25,000	(25,000)
Repairs and Maintenance	22,758	30,387		30,387
Supplies and Materials	4,517	4,158	7,500	(3,342)
Property (Equipment & Furnishings)	3,855		10,000	(10,000)
Other	74,677	131,608	80,000	51,608
Total Support Services - Students	230,575	253,225	269,000	(15,775)
Support Services - Instr. Staff				
Non-Certified Salaries	8,765	7,924	11,000	(3,076)
Social Security	12,337	12,413	13,000	(587)
Other Employee Benefits	1,690	241	2,500	(2,259)
Books and Periodicals	6	5,662	5,000	662
Technology Supplies	1,524	3,180	5,000	(1,820)
Miscellaneous Supplies		513		513
Property (Equipment & Furnishings)		1,062		1,062
Other		291		291
Total Support Services - Instr. Staff	24,322	31,286	36,500	(5,214)
General Administration				
Certified Salaries	102,537	95,000	110,000	(15,000)
Group Insurance	7,734	14,297	9,500	4,797
Social Security	7,212	7,188	8,500	(1,312)
Other Employee Benefits	742	16,982	1,000	15,982
Purchased Property Services	826	1,004	20,000	(18,996)
Communication Services	9,128	8,761	15,000	(6,239)
Other Miscellaneous Purchased Services	7	386	1,000	(614)
Supplies and Materials	17,880	23,301	25,000	(1,699)
Property (Equipment & Furnishings)			25,000	(25,000)
Other	18,585	24,614		24,614
Total General Administration	164,651	191,533	215,000	(23,467)

Unified School District No. 286
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
School Administration				
Certified Salaries	$ 148,800	184,729	160,000	24,729
Non-Certified Salaries	56,425	66,248	60,000	6,248
Group Insurance	28,467	30,524	31,000	(476)
Social Security	14,764	18,230	16,000	2,230
Other Employee Benefits	1,703	473	2,500	(2,027)
Purchased Property Services	75		1,000	(1,000)
Other Miscellaneous Purchased Services	931	1,312	2,500	(1,188)
Supplies and Materials	165	75	2,000	(1,925)
Other	5,022	1,347	10,000	(8,653)
Total School Administration	256,352	302,938	285,000	17,938
Operations and Maintenance				
Non-Certified Salaries	131,783	143,679	140,000	3,679
Group Insurance	36,156	35,128	40,000	(4,872)
Social Security	12,092	10,583	14,000	(3,417)
Other Employee Benefits	1,453	167	2,500	(2,333)
Purchased Professional and Technical Services	1,840	5,489	25,000	(19,511)
Repairs and Maintenance	193		1,000	(1,000)
Repair of Buildings			542,673	(542,673)
Other Purchased Property Services	1,429	13,807	2,500	11,307
Supplies and Materials	30,226	36,536	35,000	1,536
Other	4,004	3,007	10,000	(6,993)
Property (Equipment & Furnishings)			20,000	(20,000)
Other	18,600	14,314	25,000	(10,686)
Total Operations and Maintenance	237,776	262,710	857,673	(594,963)
Vehicle Operation Services				
Non-Certified Salaries	115,114	113,320	130,000	(16,680)
Social Security	8,025	7,824	10,000	(2,176)
Other Employee Benefits	418	59	2,000	(1,941)
Equipment	8,526	10,223	15,000	(4,777)
Other	6,329	7,545	10,000	(2,455)
Total Vehicle Operation Services	138,412	138,971	167,000	(28,029)
Vehicle Servicing/Maintenance				
Non-Certified Salaries			17,000	(17,000)
Group Insurance	13,328	14,864		14,864
Social Security	59	77	500	(423)
Other Employee Benefits	1,269	1,256	2,500	(1,244)
Purchased Professional and Technical Services	684	663	5,000	(4,337)
Supplies and Materials	14,135	13,324	20,000	(6,676)
Total Vehicle Servicing/Maintenance	29,475	30,184	45,000	(14,816)
Other Student Transportation Services				
Non-Certified Salaries	8,797	9,742	11,000	(1,258)
Social Security	653	726	1,200	(474)
Other Employee Benefits	72	13	1,000	(987)
Other Purchased Services		70		70
Total Other Student Transportation Services	9,522	10,551	13,200	(2,649)
Support Services - Other				
Non-Certified Salaries	51,245	55,490	60,000	(4,510)
Group Insurance	6,666	7,156	9,000	(1,844)
Social Security	3,390	3,720	5,000	(1,280)
Other Employee Benefits	343	55	1,000	(945)
Total Support Services - Other	61,644	66,421	75,000	(8,579)

Unified School District No. 286
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Fund Transfers				
At Risk K-12	$ 662,448	662,966	695,530	(32,564)
Capital Outlay	586,751			
Food Service	2,779	1,096		1,096
Special Education	730,210	692,291	789,372	(97,081)
Career and Postsecondary Education	141,580	321,559	97,501	224,058
Contingency Reserve	100,000	4,086		4,086
Total Fund Transfers	2,223,768	1,681,998	1,582,403	99,595
Budget Adjustments				
Legal Max Adjustment			(199,958)	199,958
Total Expenditures and Transfers	4,230,008	4,325,818	4,325,818	
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 286
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 437,168	449,561	418,358	31,203
Delinquent Taxes	15,210	8,382	3,053	5,329
Total Revenue from Local Sources	452,378	457,943	421,411	36,532
Revenue from County Sources				
Motor Vehicle Tax	51,776	47,884	46,497	1,387
Recreational Vehicle Tax	1,127	1,247	738	509
Commercial Vehicle Tax	992	1,723	983	740
Total Revenue from County Sources	53,895	50,854	48,218	2,636
Revenue from State Sources				
Supplemental State Aid	733,635	796,091	796,092	(1)
Total Cash Receipts	1,239,908	1,304,888	1,265,721	39,167
Expenditures and Transfers				
Instruction				
Certified Salaries	637	648	10,000	(9,352)
Group Insurance	59		1,000	(1,000)
Supplies and Materials	93,793	48,199	100,000	(51,801)
Technology Supplies	7,009	2,320	10,000	(7,680)
Property (Equipment & Furnishings)		2,980		2,980
Other	3,666	3,305	5,000	(1,695)
Total Instruction	105,164	57,452	126,000	(68,548)
Support Services - Instr. Staff				
Purchased Professional and Technical Services	9,553	6,717	15,000	(8,283)
Property (Equipment & Furnishings)	50,179	59,547	65,000	(5,453)
Total Support Services - Instr. Staff	59,732	66,264	80,000	(13,736)
Operations and Maintenance				
Water/Sewer Services (Non-Energy)	31,527	31,926	50,000	(18,074)
Repairs and Maintenance	63,098	137,501	64,862	72,639
Insurance	137,206	154,453	150,000	4,453
Heating	37,269	29,313	50,000	(20,687)
Electricity	90,958	77,602	125,000	(47,398)
Total Operations and Maintenance	360,058	430,795	439,862	(9,067)
Vehicle Operation Services				
Motor Fuel	44,530	40,253	60,000	(19,747)
Property (Equipment & Furnishings)		292		292
Total Vehicle Operation Services	44,530	40,545	60,000	(19,455)
Vehicle Servicing/Maintenance				
Purchased Professional and Technical Services	1,458	4,719	5,000	(281)
Fund Transfers				
Bilingual Education	1,847	1,716	2,159	(443)
At Risk K-12	160,348	167,376	185,098	(17,722)
Special Education	498,413	551,133	421,881	129,252
Total Fund Transfers	660,608	720,225	609,138	111,087
Total Expenditures and Transfers	1,231,550	1,320,000	1,320,000	
Receipts Over (Under) Expenditures and Transfers	8,358	(15,112)		
Unencumbered Cash, Beginning	45,921	54,279		
Unencumbered Cash, Ending	54,279	39,167		

Unified School District No. 286
At Risk K-12 Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Operating Transfers				
Transfer from General Fund	$ 662,448	662,966	695,530	(32,564)
Transfer from Supplemental General Fund	160,348	167,376	185,098	(17,722)
Total Cash Receipts	822,796	830,342	880,628	(50,286)
Expenditures and Transfers				
Instruction				
Certified Salaries	723,653	540,360	1,000,000	(459,640)
Non-Certified Salaries	74,844	118,199	110,000	8,199
Social Security	31,849	39,252	35,000	4,252
Other Employee Benefits	19,654	19,918	22,000	(2,082)
Purchased Professional and Technical Services		177	17,920	(17,743)
Supplies and Materials		28,143		28,143
Total Expenditures and Transfers	850,000	746,049	1,184,920	(438,871)
Receipts Over (Under) Expenditures and Transfers	(27,204)	84,293		
Unencumbered Cash, Beginning	331,496	304,292		
Unencumbered Cash, Ending	304,292	388,585		

Unified School District No. 286
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Operating Transfers				
Transfer from Supplemental General Fund	$ 1,847	1,716	2,159	(443)
Total Cash Receipts	1,847	1,716	2,159	(443)
Expenditures and Transfers				
Instruction				
Certified Salaries			4,000	(4,000)
Social Security			500	(500)
Other Employee Benefits			200	(200)
Supplies and Materials		5,145	1,830	3,315
Total Expenditures and Transfers		5,145	6,530	(1,385)
Receipts Over (Under) Expenditures and Transfers	1,847	(3,429)		
Unencumbered Cash, Beginning	2,524	4,371		
Unencumbered Cash, Ending	4,371	942		

Unified School District No. 286
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 120,525	122,400	118,262	4,138
Delinquent Taxes	3,031	2,082	840	1,242
Interest on Investments	8,912	63,758	10,000	53,758
Other Revenue From Local Sources	18,398	19,674	15,000	4,674
Total Revenue from Local Sources	150,866	207,914	144,102	63,812
Revenue from County Sources				
Motor Vehicle Tax	7,340	13,744	13,397	347
Recreational Vehicle Tax	200	354	213	141
Commercial Vehicle Tax	272	478	283	195
Total Revenue from County Sources	7,812	14,576	13,893	683
Revenue from State Sources				
General State Aid	72,807	81,944	81,944	
Operating Transfers				
Transfer from General Fund	586,752			
Total Cash Receipts	818,237	304,434	239,939	64,495
Expenditures and Transfers				
Instruction				
Property (Equipment & Furnishings)			400,000	(400,000)
Support Services - Students				
Property (Equipment & Furnishings)			50,000	(50,000)
Support Services - Instr. Staff				
Property (Equipment & Furnishings)		58,454	50,000	8,454
General Administration				
Property (Equipment & Furnishings)			50,000	(50,000)
Operations and Maintenance				
Repair of Buildings			500,000	(500,000)
Property (Equipment & Furnishings)		39,897	200,000	(160,103)
Total Operations and Maintenance		39,897	700,000	(660,103)
Student Transportation				
Property (Equipment & Furnishings)	3,500	55,563	200,000	(144,437)
Facilities Acquisition/Construction				
Site Acquisition	857		100,000	(100,000)
Site Improvement			200,000	(200,000)
Building Repair and Remodeling	111,505	104,696	450,000	(345,304)
Total Facilities Acquisition/Construction	112,362	104,696	750,000	(645,304)
Architectural and Engineering Services				
Architecture and Engineering Services		458	200,000	(199,542)
Total Expenditures and Transfers	115,862	259,068	2,400,000	(2,140,932)
Receipts Over (Under) Expenditures and Transfers	702,375	45,366		
Unencumbered Cash, Beginning	1,385,591	2,180,659		
Prior Year Encumbrances Cancelled	92,693			
Unencumbered Cash, Ending	2,180,659	2,226,025		

Unified School District No. 286
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Student Fees	$ 1,342	2,438	1,500	938
Revenue from State Sources				
General State Aid	3,780	3,045	2,835	210
Total Cash Receipts	5,122	5,483	4,335	1,148
Expenditures and Transfers				
Instruction				
Certified Salaries		4,803	6,500	(1,697)
Social Security		367	750	(383)
Other Employee Benefits		7	500	(493)
Total Instruction		5,177	7,750	(2,573)
Vehicle Operation Services				
Motor Fuel	299		1,000	(1,000)
Total Expenditures and Transfers	299	5,177	8,750	(3,573)
Receipts Over (Under) Expenditures and Transfers	4,823	306		
Unencumbered Cash, Beginning	22,464	27,287		
Unencumbered Cash, Ending	27,287	27,593		

Unified School District No. 286
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Student Sales	$ 39,053	80	44,850	(44,770)
Adults and Non-Reimbursable Programs	7,673	6,527	4,588	1,939
Other Revenue From Local Sources	20		10,000	(10,000)
Total Revenue from Local Sources	46,746	6,607	59,438	(52,831)
Revenue from State Sources				
General State Aid	2,315	2,200	1,880	320
Revenue from Federal Sources				
Federal Financial Assistance	250,205	234,841	250,185	(15,344)
Other Federal Financial Assistance	33,205	23,168	13,725	9,443
Total Revenue from Federal Sources	283,410	258,009	263,910	(5,901)
Operating Transfers				
Transfer from Supplemental General Fund	2,779	1,096		1,096
Total Cash Receipts	335,250	267,912	325,228	(57,316)
Expenditures and Transfers				
Operations and Maintenance				
Non-Certified Salaries	11,517	15,401	15,000	401
Other Purchased Services			1,500	(1,500)
Other Miscellaneous Purchased Services	208			
Supplies and Materials	259	393		393
Property (Equipment & Furnishings)			15,000	(15,000)
Other	44	41	5,000	(4,959)
Total Operations and Maintenance	12,028	15,835	36,500	(20,665)
Food Service Operations				
Non-Certified Salaries	77,327	82,762	85,000	(2,238)
Group Insurance	18,085	19,622	20,000	(378)
Social Security	4,005	4,522	5,000	(478)
Other Employee Benefits	579	105	1,000	(895)
Other Miscellaneous Purchased Services	9,045	7,821	10,000	(2,179)
Supplies and Materials	12,301	12,815		12,815
Food and Milk	178,297	195,380	230,000	(34,620)
Miscellaneous Supplies			15,000	(15,000)
Property (Equipment & Furnishings)	5,812	9,734		9,734
Other	1,104	4,117	25,000	(20,883)
Total Food Service Operations	306,555	336,878	391,000	(54,122)
Total Expenditures and Transfers	318,583	352,713	427,500	(74,787)
Receipts Over (Under) Expenditures and Transfers	16,667	(84,801)		
Unencumbered Cash, Beginning	186,131	202,798		
Unencumbered Cash, Ending	202,798	117,997		

Unified School District No. 286
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Federal Sources				
Medicaid Title XIX	$ 62,095	44,521	50,000	(5,479)
Operating Transfers				
Transfer from General Fund	730,210	692,291	789,372	(97,081)
Transfer from Supplemental General Fund	498,413	551,133	421,881	129,252
Total Operating Transfers	1,228,623	1,243,424	1,211,253	32,171
Total Cash Receipts	1,290,718	1,287,945	1,261,253	26,692
Expenditures and Transfers				
Instruction				
Non-Certified Salaries	5,280	3,419	15,000	(11,581)
Other Employee Benefits	54	4	1,500	(1,496)
Tuitions		160		160
LEA Payments to COOP's/Interlocals	591,633	598,073	810,000	(211,927)
LEA State Aid Flowthrough Payments to COOP's/Interlocals	657,057	616,180	712,572	(96,392)
Other Miscellaneous Purchased Services	28,812			
Supplies and Materials	3,696	382	40,000	(39,618)
Property (Equipment & Furnishings)			5,000	(5,000)
Total Instruction	1,286,532	1,218,218	1,584,072	(365,854)
Operations and Maintenance				
Repairs and Maintenance	1,000	4,370		4,370
Property (Equipment & Furnishings)		38,839		38,839
Total Operations and Maintenance	1,000	43,209		43,209
Vehicle Operation Services				
Non-Certified Salaries	4,779	5,080		5,080
Social Security	341	353		353
Other Employee Benefits	37	6		6
Insurance	944	749		749
Supplies and Materials	510	1,826		1,826
Motor Fuel	3,000	2,749		2,749
Total Vehicle Operation Services	9,611	10,763		10,763
Total Expenditures and Transfers	1,297,143	1,272,190	1,584,072	(311,882)
Receipts Over (Under) Expenditures and Transfers	(6,425)	15,755		
Unencumbered Cash, Beginning	329,244	322,819		
Unencumbered Cash, Ending	322,819	338,574		

Unified School District No. 286
Career and Postsecondary Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Miscellaneous	$	250	5,000	(4,750)
Revenue from State Sources				
CTE Transportation State Aid			11,560	(11,560)
Revenue from Federal Sources				
Federal Financial Assistance	21,994	8,432		8,432
Operating Transfers				
Transfer from General Fund	141,580	321,559	97,501	224,058
Total Cash Receipts	163,574	330,241	114,061	216,180
Expenditures and Transfers				
Instruction				
Certified Salaries	119,635	133,923	125,000	8,923
Social Security	12,763	9,409	15,000	(5,591)
Other Employee Benefits	1,192	160	2,000	(1,840)
Tuition	4,555	6,326	7,500	(1,174)
Other Miscellaneous Purchased Services			2,500	(2,500)
Supplies and Materials	8,956	5,198	15,000	(9,802)
Property (Equipment & Furnishings)	399		5,000	(5,000)
Total Instruction	147,500	155,016	172,000	(16,984)
Budget Credit Adjustment			8,432	(8,432)
Total Expenditures and Transfers	147,500	155,016	180,432	(25,416)
Receipts Over (Under) Expenditures and Transfers	16,074	175,225		
Unencumbered Cash, Beginning	41,865	57,939		
Unencumbered Cash, Ending	57,939	233,164		

Unified School District No. 286
Gifts and Grants Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Local Sources		
Donations	$ 386	
Revenue from State Sources		
Kansas Safe and Secure Schools	6,865	5,551
Mental Health Intervention Grant	53,574	57,129
Total Revenue from State Sources	60,439	62,680
Total Cash Receipts	60,825	62,680
Expenditures and Transfers		
Instruction		
Certified Salaries	6,514	
Non-Certified Salaries	35,390	41,690
Social Security	2,903	2,807
General Teaching Supplies	351	
Other	14,493	15,388
Return of Unexpended Grant Funds	712	
Total Expenditures and Transfers	60,363	59,885
Receipts Over (Under) Expenditures and Transfers	462	2,795
Unencumbered Cash, Beginning		462
Prior Year Encumbrances Cancelled		250
Unencumbered Cash, Ending	462	3,507

Unified School District No. 286
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Revenue from State Sources				
General State Aid	$ 416,516	382,799	458,168	(75,369)
Total Cash Receipts	416,516	382,799	458,168	(75,369)
Expenditures and Transfers				
Instruction				
Employee Benefits	301,229	270,361	331,353	(60,992)
Support Services - Students				
Employee Benefits	15,173	15,834	16,690	(856)
Support Services - Instr. Staff				
Employee Benefits	563	320	619	(299)
General Administration				
Employee Benefits	14,782	10,671	16,260	(5,589)
School Administration				
Employee Benefits	26,448	31,305	29,093	2,212
Support Services - Business				
Employee Benefits	7,256	7,476	7,982	(506)
Operations and Maintenance				
Employee Benefits	24,761	21,996	27,237	(5,241)
Student Transportation				
Employee Benefits	17,773	16,483	19,550	(3,067)
Food Service Operations				
Employee Benefits	8,531	8,353	9,384	(1,031)
Total Expenditures and Transfers	416,516	382,799	458,168	(75,369)
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 286
Contingency Reserve Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Operating Transfers			
Transfer from General Fund	$	100,000	4,086
Total Cash Receipts		100,000	4,086
Expenditures and Transfers			
None			
Receipts Over (Under) Expenditures and Transfers		100,000	4,086
Unencumbered Cash, Beginning		145,967	245,967
Unencumbered Cash, Ending		245,967	250,053

Unified School District No. 286
Textbook and Student Material Revolving Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Local Sources			
Student Fees	$	5,615	5,986
Total Cash Receipts		5,615	5,986
Expenditures and Transfers			
Instruction			
Property (Equipment & Furnishings)		1,536	1,423
Total Expenditures and Transfers		1,536	1,423
Receipts Over (Under) Expenditures and Transfers		4,079	4,563
Unencumbered Cash, Beginning		32,758	36,837
Unencumbered Cash, Ending		36,837	41,400

Unified School District No. 286
Recreation Commission Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 19,903	19,419	18,775	644
Delinquent Taxes	731	395	138	257
Total Revenue from Local Sources	20,634	19,814	18,913	901
Revenue from County Sources				
Motor Vehicle Tax	2,405	2,404	2,356	48
Recreational Vehicle Tax	54	61	37	24
Commercial Vehicle Tax	52	80	50	30
Total Revenue from County Sources	2,511	2,545	2,443	102
Total Cash Receipts	23,145	22,359	21,356	1,003
Expenditures and Transfers				
Community Services Operations				
Community Service Operations	21,566	23,134	23,134	
Total Expenditures and Transfers	21,566	23,134	23,134	
Receipts Over (Under) Expenditures and Transfers	1,579	(775)		
Unencumbered Cash, Beginning	199	1,778		
Prior Year Encumbrances Cancelled				
Unencumbered Cash, Ending	1,778	1,003		

Unified School District No. 286
Elementary/Secondary School Emergency Relief Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 249,066	908,239
Total Cash Receipts	249,066	908,239
Expenditures and Transfers		
Instruction		
Certified Salaries	583,837	95,428
Non-Certified Salaries	14,639	3,780
Social Security	6,049	7,991
Purchased Professional and Technical Services	3,208	3,130
Supplies and Materials	81,275	114,751
General Teaching Supplies	16,178	
Technology Supplies	54,793	10,796
Total Expenditures and Transfers	759,979	235,876
Receipts Over (Under) Expenditures and Transfers	(510,913)	672,363
Unencumbered Cash, Beginning	(161,450)	(672,363)
Unencumbered Cash, Ending	(672,363)	

Unified School District No. 286
21st Century Community Learning Centers Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 126,250	82,949
Total Cash Receipts	126,250	82,949
Expenditures and Transfers		
Instruction		
Certified Salaries	29,251	19,862
Non-Certified Salaries	41,819	10,594
Social Security	13	5,994
Other Employee Benefits	2,836	842
Purchased Professional and Technical Services	9,603	7
Other Purchased Services		4,500
General Teaching Supplies	174	2,430
Return of Unexpended Grant Funds	3,378	
Total Instruction	87,074	44,229
Support Services - Instr. Staff		
Purchased Professional and Technical Services	364	300
General Teaching Supplies	1,715	227
Total Support Services - Instr. Staff	2,079	527
Vehicle Operation Services		
Non-Certified Salaries	14,255	3,138
Other Employee Benefits	405	240
Motor Fuel	4,004	1,760
Other	716	2
Total Vehicle Operation Services	19,380	5,140
Total Expenditures and Transfers	108,533	49,896
Receipts Over (Under) Expenditures and Transfers	17,717	33,053
Unencumbered Cash, Beginning	(50,770)	(33,053)
Unencumbered Cash, Ending	(33,053)	

Unified School District No. 286
CCCP Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Local Sources			
Other Revenue From Local Sources	$		15
Revenue from Federal Sources			
Federal Financial Assistance			60,676
Total Cash Receipts			60,691
Expenditures and Transfers			
Instruction			
Certified Salaries			1,690
Social Security			131
Supplies and Materials			56,930
Other			1,940
Total Expenditures and Transfers			60,691
Receipts Over (Under) Expenditures and Transfers			
Unencumbered Cash, Beginning			
Unencumbered Cash, Ending			

Unified School District No. 286
REAP Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$	20,876
Total Cash Receipts		20,876
Expenditures and Transfers		
Instruction		
Supplies and Materials		39,401
Total Expenditures and Transfers		39,401
Receipts Over (Under) Expenditures and Transfers		(18,525)
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		(18,525)

Unified School District No. 286
Title I Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 152,834	151,528
Total Cash Receipts	152,834	151,528
Expenditures and Transfers		
Instruction		
Certified Salaries	144,976	132,031
Employee Benefits		8,854
Social Security	7,858	
Supplies and Materials		10,643
Return of Unexpended Grant Funds	314	
Total Expenditures and Transfers	153,148	151,528
Receipts Over (Under) Expenditures and Transfers	(314)	
Unencumbered Cash, Beginning	314	
Unencumbered Cash, Ending		

Unified School District No. 286
Improving Teacher Quality Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 19,893	16,356
Total Cash Receipts	19,893	16,356
Expenditures and Transfers		
Instruction		
Purchased Professional and Technical Services	12,040	3,905
Supplies and Materials	351	
Other		2,894
Total Instruction	12,391	6,799
Support Services - Instr. Staff		
Purchased Professional and Technical Services	7,502	9,557
Total Expenditures and Transfers	19,893	16,356
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		

Unified School District No. 286
KDHE COVID Testing Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 19,848	36,343
Total Cash Receipts	19,848	36,343
Expenditures and Transfers		
Support Services - Students		
Certified Salaries	16,083	31,550
Social Security	6,149	9,373
General Teaching Supplies	495	315
Total Expenditures and Transfers	22,727	41,238
Receipts Over (Under) Expenditures and Transfers	(2,879)	(4,895)
Unencumbered Cash, Beginning	(51)	(2,930)
Unencumbered Cash, Ending	(2,930)	(7,825)

Unified School District No. 286
Title IV-A Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Federal Sources			
Federal Financial Assistance	$	15,953	18,082
Total Cash Receipts		15,953	18,082
Expenditures and Transfers			
Instruction			
General Teaching Supplies		15,953	7,591
Support Services - Instr. Staff			
Supplies and Materials			436
Property (Equipment & Furnishings)			10,055
Total Support Services - Instr. Staff			10,491
Total Expenditures and Transfers		15,953	18,082
Receipts Over (Under) Expenditures and Transfers			
Unencumbered Cash, Beginning			
Unencumbered Cash, Ending			

Unified School District No. 286
Patterson Foundation Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Local Sources		
Donations	$	150,000
Total Cash Receipts		150,000
Expenditures and Transfers		
Instruction		
Certified Salaries		1,183
Social Security		92
General Teaching Supplies		10
Textbooks		29,102
Other		25,818
Total Expenditures and Transfers		56,205
Receipts Over (Under) Expenditures and Transfers		93,795
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		93,795

Unified School District No. 286
Blue Devil Foundation Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Local Sources			
Donations	$		5,272
Total Cash Receipts			5,272
Expenditures and Transfers			
None			
Receipts Over (Under) Expenditures and Transfers			5,272
Unencumbered Cash, Beginning			
Unencumbered Cash, Ending			5,272

Unified School District No. 286
Paul Crawford Donation Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Local Sources			
Donations	$	40,000	2,000
Total Cash Receipts		40,000	2,000
Expenditures and Transfers			
Instruction			
General Teaching Supplies		27,201	1,107
Total Expenditures and Transfers		27,201	1,107
Receipts Over (Under) Expenditures and Transfers		12,799	893
Unencumbered Cash, Beginning			12,799
Unencumbered Cash, Ending		12,799	13,692

Unified School District No. 286
Appleby FCCLA Contribution Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Local Sources		
Donations	$	25,595
Total Cash Receipts		25,595
Expenditures and Transfers		
Instruction		
Supplies and Materials	6,623	1,438
Total Expenditures and Transfers	6,623	1,438
Receipts Over (Under) Expenditures and Transfers	(6,623)	24,157
Unencumbered Cash, Beginning	106,500	99,877
Unencumbered Cash, Ending	99,877	124,034

Unified School District No. 286
Appleby Pre-K Contribution Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2024
(With Comparative Actual Totals for the Prior Year Ended June 30, 2023)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Local Sources		
Donations	$	17,063
Total Cash Receipts		17,063
Expenditures and Transfers		
Instruction		
General Teaching Supplies	76	856
Total Expenditures and Transfers	76	856
Receipts Over (Under) Expenditures and Transfers	(76)	16,207
Unencumbered Cash, Beginning	70,231	70,155
Unencumbered Cash, Ending	70,155	86,362

Unified School District No. 286
Sedan, Kansas
Agency Funds
Schedule of Receipts and Cash Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organization Funds:				
High School:				
Alpha Beta Gamma	244			244
Band	8,703	38,202	41,297	5,608
Baseball	870	4,031	4,990	(89)
Class of '21	333			333
Class of '22	870			870
Class of '23	11,091	332	8,429	2,994
Class of '24	3,283	19,710	20,677	2,316
Class of '25	2,550	6,012	4,212	4,350
Class of '26	120	1,868		1,988
Class of '27	-	2,523		2,523
FCCLA	8,984	679	3,575	6,088
FFA	14,083	57,123	59,637	11,569
Football Special	630	1,093	1,043	680
Investment Interest	390	44		434
JH Basketball	-	754		754
JH Cheerleaders	3,571	5,639	5,300	3,910
JH Stucco	447		116	331
JH Volleyball	-	4,746	1,709	3,037
Lemert Ranch Tr	20,662	15,993	18,874	17,781
Lettermen	496		64	432
National Honor Society	95		15	80
Peer Tutors	41			41
Program	2,993	3,830	4,271	2,552
SH Cheerleaders	8,382	5,396	8,189	5,589
SH Stucco	640	1,817	1,899	558
SFB Special	794	236	408	622
Track	3,024	988	1,155	2,857
Vocal	1,226			1,226
Volleyball	1,952	2,788	3,300	1,440
Elementary:				
Elem Building	-	5,409	950	4,459
Elem Stucco	2,065	580	2,645	-
PTO	1,717			1,717
Scholastic Donations	64		64	-
Total Student Organizations	100,320	179,793	192,819	87,294
Other Agency Funds:				
Payroll Clearing	240,741	1,525,193	1,531,613	234,321
Total Other Agency Funds:	240,741	1,525,193	1,531,613	234,321
Total Agency Funds	341,061	1,704,986	1,724,432	321,615

Unified School District No. 286
Sedan, Kansas
Agency Funds
Schedule of Receipts and Cash Disbursements
Regulatory Basis
For the Year Ended June 30, 2024

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts:						
High School:						
Athletics	$ 1,817	64,644	64,716	1,745		1,745
Concessions	2,262	19,718	19,848	2,132		2,132
Subtotal Gate Receipts	4,079	84,362	84,564	3,877	-	3,877
Special Projects:						
Elementary:						
Library	1,029	2,629	2,808	850		850
High School:						
Yearbook	15,077	4,317	6,675	12,719		12,719
Subtotal Special Projects	16,106	6,946	9,483	13,569	-	13,569
Total District Activity Funds	20,185	91,308	94,047	17,446	-	17,446

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

Board of Education
Unified School District No. 286
Sedan, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the financial statement of Unified School District No. 286, Sedan, Kansas, (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated March 7, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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

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

Rodney M. Burns, CPA, LLC
Rodney M. Burns, CPA, LLC
Certified Public Accountants

Chanute, Kansas
March 7, 2025

Rodney M. Burns
CPA

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

Board of Education
Unified School District No. 286
Sedan, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of Unified School District No. 286, Sedan, Kansas, (the District) with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs, 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 (GAAS); 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 the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 those 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.

Rodney M. Burns, CPA, LLC
Rodney M. Burns, CPA, LLC
Certified Public Accountants

Chanute, Kansas
March 7, 2025

Unified School District No. 286
Sedan, Kansas
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

I. Summary of Independent Auditors' Results

Financial Statement:
The independent auditors' report expresses an adverse opinion on the financial statement of Unified School District No. 286 on the Generally Accepted Accounting Principles (GAAP) basis of accounting, but an unmodified opinion on the regulatory basis of accounting as prescribed by the State of Kansas.

Internal Control over Financial Reporting:

Material weakness(es) identified?	____	Yes	X	No
Significant deficiency(ies) identified?	____	Yes	X	None reported
Non compliance 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 deficiency(ies) identified?	____	Yes	X	None reported

The independent auditors' report on compliance for the major federal award programs for Unified School District No. 286 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 Agriculture	
Child Nutrition Cluster:	
School Breakfast Program	CFDA #10.553
National School Lunch Program	CFDA #10.555
Summer Food Service Program for Children	CFDA #10.559
Fresh Fruits and Vegetables Program	CFDA #10.582
U.S. Department of Education	
American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	CFDA #84.425U

The threshold for distinguishing Types A and B programs was $750,000.

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

Unified School District No. 286
Sedan, Kansas
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

II. Financial Statement Findings

None.

III. Federal Award Findings and Questioned Costs

None.

Unified School District No. 286
Sedan, Kansas
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Pass-through Entity Identifying Number	Federal CFDA Number	Cash Receipts	Disbursements/ Expenditures	
U.S. Department of Agriculture					
Passed through State Department of Education					
Child Nutrition Cluster:					
School Breakfast Program	D0286	10.553	$ 64,432	64,432	
National School Lunch Program	D0286	10.555	147,442	147,442	
National School Lunch Program - COVID 19	D0286	10.555	12,882	12,882	
Total National School Lunch Program			160,324	160,324	
Summer Food Service Program for Children	D0286	10.559	22,968	22,968	
Fresh Fruits and Vegetables Program	D0286	10.582	10,286	10,286	
	Total Child Nutrition Cluster		258,010	258,010	(1)
Total U.S. Department of Agriculture			258,010	258,010	
U.S. Department of Education					
Rural Education		84.358	20,876	39,401	
Passed through Kansas Department of Education					
Title I Grant to Local Educational Agencies	D0286	84.010	151,528	151,528	
21st Century Community Learning Centers	D0286	84.287	82,950	49,897	
Supporting Effective Instruction State Grants	D0286	84.367	16,356	16,356	
Student Support and Academic Enrichment Program	D0286	84.424	18,082	18,082	
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)- COVID-19	D0286	84.425U	908,238	235,875	(1)
Passed through Southeast Kansas Education Service Center					
Career and Technical Education - Basic Grants to States		84.048	8,432	7,220	
Total U.S. Department of Education			1,206,462	518,359	
U.S. Department of Health and Human Services					
Passed through Kansas Department of Education					
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - COVID-19	D0286	93.323	36,343	41,239	
Passed through Kansas Department of Children and Families					
477 Cluster:					
Child Care and Development Block Grant		93.575	60,691	60,691	
		Total 477 Cluster	60,691	60,691	
Total U.S. Department of Health and Human Services			97,034	101,930	
Total Federal Awards			1,561,506	878,299	

(1) This program was considered to be a major program

Note to the Schedule of Expenditures of Federal Awards:

Note A: General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal financial assistance programs of Unified School District No. 286, Sedan, Kansas (the District). The reporting entity is defined in Note 1 of the District's basic financial statement. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies are included on the Schedule.

Note B: Indirect Cost Rate

The District did not elect to use the 10% de minimis cost rate as allowed under the Uniform Guidance

Note C: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) is presented using the regulatory basis of accounting, which is described in Note 1 of the District's basic financial statement. This is the same basis of accounting used in the District's regulatory basis financial statement. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.