UNIFIED SCHOOL DISTRICT NO. 473

Chapman, Kansas

FINANCIAL STATEMENT

June 30, 2024

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
TABLE OF CONTENTS
June 30, 2024

		Page
INDEPENDENT AUDITOR'S REPORT		1 - 3
FINANCIAL STATEMENT		
Summary Statement of Receipts, Expenditures And Unencumbered Cash	Statement 1	4 - 5
NOTES TO FINANCIAL STATEMENT		6 - 14
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION		
Summary of Expenditures - Actual and Budget	Schedule 1	16
Schedule of Receipts and Expenditures - Actual and Budget		
General Fund	Schedule 2	17
Supplemental General Fund	Schedule 2	18
Preschool Aged At-Risk Fund	Schedule 2	19
At-Risk (K-12) Fund	Schedule 2	20
Bilingual Education Fund	Schedule 2	21
Capital Outlay Fund	Schedule 2	22
Driver Education Fund	Schedule 2	23
Food Service Fund	Schedule 2	24
Professional Development Fund	Schedule 2	25
Parent Education Fund	Schedule 2	26
Special Education Fund	Schedule 2	27
Vocational Education Fund	Schedule 2	28
Gifts and Grants Fund	Schedule 2	29
KPERS Special Retirement Contribution Fund	Schedule 2	30
Contingency Reserve Fund	Schedule 2	31
Student Materials Revolving Fund	Schedule 2	32
Federal Funds	Schedule 2	33
Bond and Interest Fund	Schedule 2	34
Summary of Receipts and Disbursements - Student Organization Funds	Schedule 3	35
Schedule of Receipts, Expenditures, and Unencumbered Cash - Activity Funds	Schedule 4	36
OTHER SUPPLEMENTARY INFORMATION		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*		37 - 38
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with The Uniform Guidance		39 - 40
Schedule of Expenditures of Federal Awards		41
Schedule of Findings and Questioned Costs		42

November 3, 2026

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 473
Chapman, Kansas

Independent Auditor's Report

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. 473 (the District), 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* (KMAAG) described in Note 1.

Basis for Adverse and Unmodified Opinions
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), KMAAG and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General. 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 audits. 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 the Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement
Management is responsible for the preparation and fair presentation of the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 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.

1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1102 Commercial St., Suite A
Emporia, KS 66801

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 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, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary 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 the District as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated August 24, 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 website of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/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 ended 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 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 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 basic financial statement as a whole for the year ended June 30, 2024, 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 November 3, 2026, 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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS							
General Funds:							
General Fund	$ -	$ -	$ 9,985,423	$ 9,985,423	$ -	$ 246,640	$ 246,640
Supplemental General Fund	250,927	-	2,912,659	3,132,378	31,208	3,263	34,471
Special Purpose Funds							
Preschool Aged At-Risk Fund	48,971	-	50,000	-	98,971	-	98,971
At-Risk (K-12) Fund	309,284	-	1,213,027	1,487,273	35,038	52,546	87,584
Bilingual Education Fund	17,666	-	627	1,998	16,295	-	16,295
Capital Outlay Fund	3,283,135	-	1,491,744	1,387,353	3,387,526	57,326	3,444,852
Driver Education Fund	31,129	-	25,895	26,419	30,605	641	31,246
Food Service Fund	223,364	-	694,447	753,700	164,111	(382)	163,729
Professional Development Fund	26,129	-	60,390	48,704	37,815	697	38,512
Parent Education Fund	5,231	-	42,970	48,132	69	1,345	1,414
Special Education Fund	144,261	-	2,516,346	2,070,382	590,225	-	590,225
Vocational Education Fund	12,809	-	819,282	471,846	360,245	20,387	380,632
KPERS Special Retirement Contribution Fund	-	-	1,028,392	1,028,392	-	-	-
Gifts and Grants Fund	17,824	-	3,270	-	21,094	-	21,094
Title I	-	-	160,867	160,866	1	4,578	4,579
Title II	-	-	30,764	30,764	-	520	520
Title IV	801	-	18,207	18,986	22	7,070	7,092
ESSER III	(261,880)	-	576,180	320,900	(6,600)	60,680	54,080
KDHE Grant	(52,225)		91,380	69,458	(30,303)	11,741	(18,562)
Student Materials Revolving Fund	394,245	-	255,849	85,586	564,508	1,815	566,323
Contingency Reserve Fund	673,347	-	-	-	673,347	-	673,347
Bond and Interest Fund	1,224,522	-	975,351	677,150	1,522,723	-	1,522,723
District Activity	5,102	-	484,644	477,851	11,895	-	11,895
Total Reporting Entity (Excluding Agency Funds)	$ 6,354,642	$ -	$ 23,437,714	$ 22,283,561	$ 7,508,795	$ 468,867	$ 7,977,662

(Continued)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

Composition of Cash		
Astra Bank		
Checking Account	$	2,128,458
Savings Accounts		3,086,698
Certificate of Deposit		10,000
Exchange Bank		
Savings Accounts		1,311,236
Certificate of Deposit		1,065,637
Dickinson County Bank		
Money Market		512,197
Total Cash	$	8,114,226
Less: Agency funds per Schedule 3		(136,564)
Total Reporting Entity (Excluding Agency Funds)	$	7,977,662

STATEMENT 1 (CONTINUED)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
NOTES TO FINANCIAL STATEMENT
June 30, 2024

Note 1: Summary of Significant Accounting Policies

Unified School District No. 473 (the District), is a municipal corporation governed by an elected seven-member Board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

Reimbursed Expenses

Expenditures in the amount of $134,322 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payments for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria:

1. the related disbursement was made in the current year on behalf of the payee,
2. the item paid for was directly identifiable as having been used by or provided to the payee, and
3. the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

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

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

Regulatory Basis Fund Types

The accounts of the District are organized and operated on the basis of funds, which are used to record the District's financial transactions. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Cash and other financial resources are recorded together with all related expenditures. A fund is used to segregate specific activities and for the purpose of attaining certain objectives in accordance with special regulations, restrictions, and limitations. The following types of funds comprise the financial activities of the District.

General Fund -- the chief operating fund. Used to account for all 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 revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

Agency Funds -- used to report assets held by the District in a purely custodial capacity.

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute) and bond and interest 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 twelve month period on or before August 1st of each year.

2. Publication in a local newspaper of the proposed budget and this 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 District is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The District did hold a revenue neutral rate hearing.

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.

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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures. There were no budget violations this year.

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

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

Student Materials Revolving	Title I	ESSER III
Contingency Reserve	Title II	Title IV
KDHE Grant		

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.

Subsequent Events

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of the financial statement, which is the date at which the financial statement was available to be issued.

Note 2: Deposits and Investments

The District maintains a cash and investment pool that is available for use by all funds. The District held no investments during the year, only deposits with allowable financial institutions. All interest earned during the year on idle funds was credited to the capital outlay fund as allowed by Kansas statutes.

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

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

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. K.S.A. 9-1402 and 9-1405 require the District's deposits in a financial institution 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.

At June 30, 2024, the carrying amount of the District's deposits was $8,114,226. The bank balance was $8,746,474. The bank balance was held by three banks, resulting in a concentration of credit risk. Of the bank balances, $750,000 was secured by FDIC insurance and the remaining amount was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the District's name and a letter of credit. Each third-party bank holding the pledged securities is independent of the pledging bank.

Note 3: 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.kspers.gov or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Note 3: Defined Benefit Pension Plan (Continued)

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 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.

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 $1,028,392 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 $9,621,389. 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 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.kspers.gov or can be obtained as described above.

Note 4: Other Post Employment Benefits

Sick Leave

Certified Employees – Ten days of sick leave shall be granted to all full-time teachers after they have worked one day of their annual contract. Such sick leave entitlement shall accumulate up to a maximum of 70 days of unused sick leave. Teachers who are employed less than full-time shall be entitled to sick leave benefits based upon the following formula: the number of days or amount of time employed over a full employment year times the foregoing benefits received by full-time teachers. Termination of employment automatically cancels all sick leave benefits.

Teachers shall be compensated for their unused sick leave upon their retirement. Teacher disability or death while employed shall also be grounds for compensation. KPERS guidelines will be used to determine retirement and disability eligibility. Compensation will be determined as follows: a) 10 through 14 years of service with the District; $5.00 per day, up to a maximum of 70 days, b) 15 years of service and over with the District, $10.00 per day, up to a maximum of 70 days. Because so many events have to be met for unused sick leave to be paid, no accrual is made for unused sick leave.

Noncertified Employees – The Board shall allow one day of sick leave after three days service is performed and one additional day of sick leave for each full month of service completed, but accumulated unused sick leave shall not exceed seven times one year's maximum sick leave accumulation.

There shall be no payment for unused sick leave when an employee ceases employment with the District. Upon death or retirement only, employees shall be compensated for their unused sick leave whether KPERS or because of disability as follows: for 10-14 years of service with the District, the compensation shall be $5.00 per day, up to the maximum allowable sick leave accumulation, except that those employees who work less than an eight hour day will be paid in proportion to the number of hours worked.

For 15 or more years of service with the District, the compensation shall be $10.00 per day, up to the maximum allowable sick leave accumulation, except that those employees who work less than an eight hour day will be paid in proportion to the number of hours worked.

Vacation Leave

All full-time employees who are employed on a twelve-month basis may be granted a paid vacation each year. Vacation time for employees is two weeks per year for employees with 1-14 years of service. Employees with 15 years or more service receive 15 days (3 weeks) paid vacation. The Superintendent and the Administrative Assistant receive three weeks of vacation. If vacation leave is not taken by end of current year earned, it will be lost. No accrual for vacation leave value occurs.

Personal Leave

Each full-time teacher shall be allowed two days of personal leave for any reason which the teacher believes to be more important than being in the classroom.

Personal leave shall be allowed in the same manner for teachers who are employed less than full time but in proportion to the time employed. Personal leave may accumulate for a limit of two years not to exceed four days in any contract year. No accrual for unused personal leave is made and would not be material to the financial statement.

Note 5: Defined Contribution Pension Plan

The District contributes to the District Retirement Plan (DRP), a defined contribution plan, for its administrators and certified employees. DRP is administered by Baybridge.

Benefit terms, including contribution requirements, for DRP are established and may be amended by the Board of Education. For each employee in the pension plan, the District is required to match employee contributions based on the Retiree Group Level, and deposit it to an individual employee account. Employees are permitted to make contributions to the pension plan, up to applicable Internal Revenue Code limits.

Retiree Group	Match Ratio	Term
Eligible to retire 2020/2021 to 2023/2024	4 to 1 up to $50 per month	Through Year 8
Eligible to retire 2020/2021 to 2023/2024	1 to 1 up to $50 per month	After Year 8 and Through Remainder of Employment
Eligible to retire 2024/2025 to 2028/2029	2 to 1 up to $50 per month	Through Year 12
Eligible to retire 2024/2025 to 2028/2029	1 to 1 up to $50 per month	After Year 12 and Through Remainder of Employment
Eligible to retire 2029/2030 and new hires	1 to 1 up to $50 per month	Duration of Employment

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in the District contributions and earnings on District contributions based on a 15 year vesting schedule of creditable service with the District. Nonvested District contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. For the year ended June 30, 2024, there were no forfeitures.

Employer matching contributions are subject to the following vesting schedule:

Years of Employment	Vested Percentage
1 - 5 years	0%
6 years	10%
7 years	20%
8 years	30%
9 years	40%
10 years	50%
11 years	60%
12 years	70%
13 years	80%
14 years	90%
15 years	100%

Note 6: Retirement Benefits

The District provides an early retirement program for certain eligible employees. Those eligible under this program may receive benefits up to five years.

Note 7: Interfund Transfers

The District made the following operating transfers during the year.

From	To	Regulatory Authority	Amount
General	Vocational Education	K.S.A. 72-5153	$ 497,752
General	Capital Outlay	K.S.A. 72-5153	106,114
General	Parent Education	K.S.A. 72-5153	6,200
General	Special Education	K.S.A. 72-5153	1,777,495
General	At Risk (K-12)	K.S.A. 72-5153	924,998
General	Preschool Aged At-Risk	K.S.A. 72-5153	50,000
General	Professional Development	K.S.A. 72-5153	25,000
General	Student Materials Revolving	K.S.A. 72-5153	102,137
Supplemental General	Bilingual Education	K.S.A. 72-5143	627
Supplemental General	Special Education	K.S.A. 72-5143	731,632
Supplemental General	Vocational Education	K.S.A. 72-5143	177,237
Supplemental General	At Risk (K-12)	K.S.A. 72-5143	288,029
Total Transfers			$ 4,687,221

Note 8: Other Long-Term Obligations from Operations

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

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

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2024.

Note 9: Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District.

The District's general obligation bond issues are subject to the arbitrage provisions of Section 148 of the Internal Revenue Code. These provisions include the potential for rebates to the Federal Government of the earnings on the bond proceeds in excess of the yield on the bonds. The amounts of any future rebates due on other bonds or temporary notes have not been determined.

Note 10: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the District carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 11: Stewardship, Compliance and Accountability.

Fund with a Deficit Unencumbered Cash Balance. Generally, school districts are required by K.S.A. 10-1113 to limit fund expenditures to the available monies in that fund. K.S.A 12-1663, however, provides an exception for those funds which are to be financed by Federal government sources and other grants and gifts. This exception allows these funds to expend in excess of currently available resources with the expectation that the District will be reimbursed for qualifying grant expenditures.

The following funds had a deficit unencumbered cash balance as of June 30, 2024: ESSER III and KDHE Grant. These funds are financed by a Federal governmental agency and are expecting reimbursement of qualifying grant expenditures. Therefore, this falls under the exception noted above.

Fund expenditures exceeded budget. Expenditures in the At-Risk (K-12) Fund exceeded the adopted budget for the year ended June 30, 2024, which is a violation of K.S.A. 79-2935.

Note 12: Long-Term Debt

Following is a summary of long-term debt transactions of the District for the year:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning of Year	Additions	Reductions/ Payments	End of Year	Interest Paid
General Obligation Bonds									
Series 2016	2.00 - 4.00%	3/30/2019	$ 6,035,000	9/1/2029	$ 4,125,000	$ -	$ 530,000	$ 3,595,000	$ 145,650
Total General Obligation Bonds					$ 4,125,000	$ -	$ 530,000	$ 3,595,000	$ 145,650

Current maturities of general obligation bonds and interest for the next five years and in five year increments through maturity are as follows

	2025	2026	2027	2028	2029	2030-2034	Total
General Obligation Bonds							
Principal	$ 545,000	$ 565,000	$ 585,000	$ 610,000	$ 630,000	$ 660,000	$ 3,595,000
Interest	126,800	104,600	81,600	60,750	39,000	13,200	425,950
Total	$ 671,800	$ 669,600	$ 666,600	$ 670,750	$ 669,000	$ 673,200	$ 4,020,950

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2024

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Funds						
General	$ 9,953,146	$ (152,640)	$ 184,917	$ 9,985,423	$ 9,985,423	$ -
Supplemental General	3,182,432	(48,278)	-	3,134,154	3,132,378	(1,776)
Special Purpose Funds						
Preschool Aged At-Risk Fund	50,000	-	-	50,000	-	(50,000)
At-Risk (K-12) Fund	1,234,130	-	-	1,234,130	1,487,273	253,143
Bilingual Education Fund	17,325	-	-	17,325	1,998	(15,327)
Capital Outlay Fund	1,803,629	-	-	1,803,629	1,387,353	(416,276)
Driver Education Fund	40,965	-	-	40,965	26,419	(14,546)
Food Service Fund	862,301	-	-	862,301	753,700	(108,601)
Professional Development Fund	49,288	-	-	49,288	48,704	(584)
Parent Education Fund	52,170	-	-	52,170	48,132	(4,038)
Special Education Fund	2,204,982	-	-	2,204,982	2,070,382	(134,600)
Vocational Education Fund	480,230	-	-	480,230	471,846	(8,384)
Gifts and Grants Fund	10,200	-	-	10,200	-	(10,200)
KPERS Special Retirement Contribution Fund	1,099,012	-	-	1,099,012	1,028,392	(70,620)
Debt Service Fund						
Bond and Interest Fund	677,150	-	-	677,150	677,150	-
Total Funds	$ 21,716,960	$ (200,918)	$ 184,917	$ 21,700,959	$ 21,119,150	$ (581,809)

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Student activities	$ 40,633	$ 50,595	$ -	$ 50,595
Reimbursed expenditures	108,130	134,322	-	134,322
State Sources				
General state aid	7,927,549	8,573,527	8,551,181	22,346
Special education aid	1,128,624	1,226,979	1,401,935	(174,956)
Mineral production tax	32	-	30	(30)
Total Cash Receipts	$ 9,204,968	$ 9,985,423	$ 9,953,146	$ 32,277
EXPENDITURES				
Instruction	$ 4,042,274	$ 4,284,826	$ 4,241,419	$ 43,407
Student support services	241,278	113,491	257,660	(144,169)
Instructional support staff	56,389	48,131	40,400	7,731
General administration	175,133	203,964	237,306	(33,342)
School administration	244,898	253,773	304,955	(51,182)
Central services	232,462	228,140	259,832	(31,692)
Operations and maintenance	808,279	779,076	974,615	(195,539)
Student transportation	668,599	575,254	728,833	(153,579)
Other support services	9,065	5,108	14,500	(9,392)
District activities	3,766.00	3,964	3,000	964
Transfers out	2,722,825	3,489,696	2,890,626	599,070
Adjustments to comply with legal max	-	-	(152,640)	152,640
Adjustment for Qualifying Budget Credits	-	-	184,917	(184,917)
Total Expenditures	$ 9,204,968	$ 9,985,423	$ 9,985,423	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ -		
UNENCUMBERED CASH - BEGINNING	-	-		
UNENCUMBERED CASH - ENDING	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Ad valorem tax	$ 1,576,643	$ 1,675,104	$ 1,864,419	$ (189,315)
Delinquent tax	-	-	15,810	(15,810)
County Sources				
Motor vehicle tax	136,516	125,753	117,334	8,419
Recreational vehicle tax	3,091	2,797	2,494	303
Commercial vehicle tax	4,883	4,529	3,973	556
State Sources				
General state aid	1,045,732	1,104,476	1,121,489	(17,013)
Total Cash Receipts	$ 2,766,865	$ 2,912,659	$ 3,125,519	$ (212,860)
EXPENDITURES				
Instruction	$ 8,645	$ 803	$ 21,600	$ (20,797)
Student support services	1,852	63,169	76,481	(13,312)
Instructional support staff	266,977	258,448	299,900	(41,452)
School administration	464,696	464,917	495,530	(30,613)
Central services	16,372	16,372	44,000	(27,628)
Operations and maintenance	636,774	691,247	741,297	(50,050)
Student transportation	410,884	428,962	461,515	(32,553)
Other support services	5,650	10,935	-	10,935
Transfers out	991,802	1,197,525	1,042,109	155,416
Adjustment to comply with legal max	-	-	(48,278)	48,278
Total Expenditures	$ 2,803,652	$ 3,132,378	$ 3,134,154	$ (1,776)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (36,787)	$ (219,719)		
UNENCUMBERED CASH - BEGINNING	287,714	250,927		
UNENCUMBERED CASH - ENDING	$ 250,927	$ 31,208		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
PRESCHOOL AGED AT-RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year		
		Actual	Budget	Variance - Over (Under)
CASH RECEIPTS				
Federal Sources				
Federal aid	$ 25,000	$ -	$ -	$ -
Other Sources				
Transfers in	48,460	50,000	30,000	20,000
Total Cash Receipts	$ 73,460	$ 50,000	$ 30,000	$ 20,000
EXPENDITURES				
Instruction	$ 24,489	$ -	$ 50,000	$ (50,000)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 48,971	$ 50,000		
UNENCUMBERED CASH - BEGINNING	-	48,971		
UNENCUMBERED CASH - ENDING	$ 48,971	$ 98,971		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
AT-RISK (K-12) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS				
Federal Sources				
Federal aid	$ 27,802	$ -	$ -	$ -
Other Sources				
Transfers in	1,143,584	1,213,027	1,185,000	28,027
Total Cash Receipts	$ 1,171,386	$ 1,213,027	$ 1,185,000	$ 28,027
EXPENDITURES				
Instruction	$ 1,005,618	$ 1,349,219	$ 1,234,130	$ 115,089
Student support services	-	138,054	-	138,054
Total Expenditures	$ 1,005,618	$ 1,487,273	$ 1,234,130	$ 253,143
RECEIPTS OVER (UNDER) EXPENDITURES	$ 165,768	$ (274,246)		
UNENCUMBERED CASH - BEGINNING	143,516	309,284		
UNENCUMBERED CASH - ENDING	$ 309,284	$ 35,038		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Other Sources				
Transfers in	$ 1,776	$ 627	$ 1,909	$ (1,282)
EXPENDITURES				
Instruction	$ 645	$ 1,998	$ 17,325	$ (15,327)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 1,131	$ (1,371)		
UNENCUMBERED CASH - BEGINNING	16,535	17,666		
UNENCUMBERED CASH - ENDING	$ 17,666	$ 16,295		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Ad valorem tax	$ 889,986	$ 906,042	$ 838,560	$ 67,482
Delinquent tax	10,718	8,211	9,059	(848)
Interest on idle funds	71,538	148,915	-	148,915
Other	131,806	12,394	-	12,394
County Sources				
Motor vehicle tax	72,064	75,857	64,164	11,693
Recreational vehicle tax	1,630	1,636	1,364	272
Commercial vehicle tax	2,602	2,625	2,173	452
State Sources				
General state aid	224,582	229,950	230,733	(783)
Federal Sources				
Federal aid	39,614	-	-	-
Other Sources				
Transfers in	-	106,114	-	106,114
Total Cash Receipts	$ 1,444,540	$ 1,491,744	$ 1,146,053	$ 345,691
EXPENDITURES				
Instruction	$ 96,500	$ 408,200	$ 415,749	$ (7,549)
Instructional support staff	-	-	-	-
General administration	-	-	254,825	(254,825)
Central services	-	-	380	(380)
Operations and maintenance	861,980	734,875	882,675	(147,800)
Student transportation	-	222,237	250,000	(27,763)
District activities	2,183	22,041	-	22,041
Total Expenditures	$ 960,663	$ 1,387,353	$ 1,803,629	$ (416,276)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 483,877	$ 104,391		
UNENCUMBERED CASH - BEGINNING	2,799,258	3,283,135		
UNENCUMBERED CASH - ENDING	$ 3,283,135	$ 3,387,526		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
DRIVER EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year		
		Actual	Budget	Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Other	$ 13,250	$ 18,500	$ 14,000	$ 4,500
State Sources				
General state aid	4,200	7,395	8,100	(705)
Total Cash Receipts	$ 17,450	$ 25,895	$ 22,100	$ 3,795
EXPENDITURES				
Instruction	$ 33,018	$ 25,171	$ 38,865	$ (13,694)
Operations and maintenance	189	1,248	2,100	(852)
Total Expenditures	$ 33,207	$ 26,419	$ 40,965	$ (14,546)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (15,757)	$ (524)		
UNENCUMBERED CASH - BEGINNING	46,886	31,129		
UNENCUMBERED CASH - ENDING	$ 31,129	$ 30,605		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Food service	$ 261,778	$ 251,068	$ 246,260	$ 4,808
Other	-	-	30,822	(30,822)
State Sources				
General state aid	5,716	6,156	4,407	1,749
Federal Sources				
Federal aid	442,979	437,223	367,489	69,734
Other Sources				
Transfers in	30,000	-	30,000	(30,000)
Total Cash Receipts	$ 740,473	$ 694,447	$ 678,978	$ 15,469
EXPENDITURES				
Operations and maintenance	$ 17,457	$ 9,603	$ 8,400	$ 1,203
Food service	737,053	744,097	853,901	(109,804)
Total Expenditures	$ 754,510	$ 753,700	$ 862,301	$ (108,601)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (14,037)	$ (59,253)		
UNENCUMBERED CASH - BEGINNING	237,401	223,364		
UNENCUMBERED CASH - ENDING	$ 223,364	$ 164,111		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
State Sources				
General state aid	$ -	$ 6,414	$ 6,428	$ (14)
Federal Sources				
Federal aid	-	28,976	-	28,976
Other Sources				
Transfers in	35,000	25,000	110,000	(85,000)
Total Cash Receipts	$ 35,000	$ 60,390	$ 116,428	$ (56,038)
EXPENDITURES				
Instructional support staff	$ 45,212	$ 48,704	$ 49,288	$ (584)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (10,212)	$ 11,686		
UNENCUMBERED CASH - BEGINNING	36,341	26,129		
UNENCUMBERED CASH - ENDING	$ 26,129	$ 37,815		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
PARENT EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
State Sources				
General state aid	$ 31,225	$ 36,770	$ 36,770	$ -
Other Sources				
Transfers in	15,612	6,200	16,300	(10,100)
Total Cash Receipts	$ 46,837	$ 42,970	$ 53,070	$ (10,100)
EXPENDITURES				
Student support services	$ 41,685	$ 48,057	$ 52,155	$ (4,098)
Instructional support staff	12	75	15	60
Total Expenditures	$ 41,697	$ 48,132	$ 52,170	$ (4,038)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 5,140	$ (5,162)		
UNENCUMBERED CASH - BEGINNING	91	5,231		
UNENCUMBERED CASH - ENDING	$ 5,231	$ 69		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Other	$ 25,915	$ -	$ -	$ -
Federal Sources				
Federal aid	26,410	7,219	-	7,219
Other Sources				
Transfers in	2,095,652	2,509,127	2,090,000	419,127
Total Cash Receipts	$ 2,147,977	$ 2,516,346	$ 2,090,000	$ 426,346
EXPENDITURES				
Instruction	$ 1,954,467	$ 1,920,208	$ 2,111,282	$ (191,074)
Transportation	70,618	150,174	93,700	56,474
Total Expenditures	$ 2,025,085	$ 2,070,382	$ 2,204,982	$ (134,600)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 122,892	$ 445,964		
UNENCUMBERED CASH - BEGINNING	21,369	144,261		
UNENCUMBERED CASH - ENDING	$ 144,261	$ 590,225		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
VOCATIONAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Reimbursed expenses	$ 15,933	$ 7,409	$ -	$ 7,409
State Sources				
State aid	10,268	4,170	14,850	(10,680)
Federal Sources				
Federal aid	-	132,714	8,000	124,714
Other Sources				
Transfers in	289,970	674,989	469,526	205,463
Total Cash Receipts	$ 316,171	$ 819,282	$ 492,376	$ 326,906
EXPENDITURES				
Instruction	$ 415,401	$ 468,544	$ 469,875	$ (1,331)
Instructional support services	6,783	3,302	7,505	(4,203)
Operations and maintenance	579	-	625	(625)
Other support services	960	-	2,225	(2,225)
Total Expenditures	$ 423,723	$ 471,846	$ 480,230	$ (8,384)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (107,552)	$ 347,436		
UNENCUMBERED CASH - BEGINNING	120,361	12,809		
UNENCUMBERED CASH - ENDING	$ 12,809	$ 360,245		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Other	$ 11,974	$ 3,270	$ 5,000	$ (1,730)
State Sources				
General state aid	19,924	-	-	-
Total Cash Receipts	$ 31,898	$ 3,270	$ 5,000	$ (1,730)
EXPENDITURES				
Instruction	$ 10,512	$ -	$ 7,000	$ (7,000)
Student support services	630	-	700	(700)
General administration	200	-	-	-
Operations and maintenance	19,940	-	-	-
Student transportation services	345	-	-	-
Food service	-	-	2,500	(2,500)
District activities	3,000	-	-	-
Total Expenditures	$ 34,627	$ -	$ 10,200	$ (10,200)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (2,729)	$ 3,270		
UNENCUMBERED CASH - BEGINNING	20,553	17,824		
UNENCUMBERED CASH - ENDING	$ 17,824	$ 21,094		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
State Sources				
General state aid	$ 1,027,114	$ 1,028,392	$ 1,099,012	$ (70,620)
EXPENDITURES				
Instruction	$ 597,955	$ 639,896	$ 639,405	$ 491
Student support services	44,988	47,023	48,225	(1,202)
Instructional support staff	37,820	37,162	40,624	(3,462)
General administration	19,661	15,946	21,037	(5,091)
School administration	95,368	80,059	102,208	(22,149)
Central services	27,762	24,291	29,705	(5,414)
Operations and maintenance	67,369	62,238	72,083	(9,845)
Student transportation services	99,675	88,633	106,653	(18,020)
Food service	36,516	33,144	39,072	(5,928)
Total Expenditures	$ 1,027,114	$ 1,028,392	$ 1,099,012	$ (70,620)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ -		
UNENCUMBERED CASH - BEGINNING	-	-		
UNENCUMBERED CASH - ENDING	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Actual
CASH RECEIPTS		
Transfers in	$ -	$ -
EXPENDITURES		
Capital outlay	$ -	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -	$ -
UNENCUMBERED CASH - BEGINNING	673,347	673,347
UNENCUMBERED CASH - ENDING	$ 673,347	$ 673,347

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
STUDENT MATERIALS REVOLVING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Actual
CASH RECEIPTS		
Local Sources		
Student activities	$ 18,899	$ 19,314
Other	56,188	53,854
Reimbursed expenditures	58,980	80,544
Transfers in	54,573	102,137
Total Cash Receipts	$ 188,640	$ 255,849
EXPENDITURES		
Instruction	$ 78,827	$ 83,828
Operations and maintenance	52,959	1,758
Total Expenditures	$ 131,786	$ 85,586
RECEIPTS OVER (UNDER) EXPENDITURES	$ 56,854	$ 170,263
UNENCUMBERED CASH - BEGINNING	337,391	394,245
UNENCUMBERED CASH - ENDING	$ 394,245	$ 564,508

UNIFIED SCHOOL DISTRICT NO. 473
FEDERAL FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2024

	Title I	Title II	Title IV	ESSER III	KDHE Grant
CASH RECEIPTS					
Federal aid	$ 160,867	$ 30,764	$ 18,207	$ 576,180	$ 91,380
EXPENDITURES					
Instruction	$ 160,866	$ 30,764	$ 12,473	$ 196,339	$ 69,458
Student support services	-	-	6,513	5,872	-
Instructional support staff	-	-	-	25,974	-
General administration	-	-	-	1,174	-
School administration	-	-	-	10,570	-
Central services	-	-	-	3,523	-
Operations and maintenance	-	-	-	14,229	-
Student transportation	-	-	-	34,919	-
Other support services	-	-	-	18,904	-
Food service	-	-	-	9,396	-
Total Expenditures	$ 160,866	$ 30,764	$ 18,986	$ 320,900	$ 69,458
RECEIPTS OVER (UNDER) EXPENDITURES	$ 1	$ -	$ (779)	$ 255,280	$ 21,922
UNENCUMBERED CASH - BEGINNING	-	-	801	(261,880)	(52,225)
UNENCUMBERED CASH - ENDING	$ 1	$ -	$ 22	$ (6,600)	$ (30,303)

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024
With Comparative Totals for the Year Ended June 30, 2023

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
CASH RECEIPTS				
Local Sources				
Ad valorem tax	$ 659,536	$ 725,151	$ 530,507	$ 194,644
Delinquent tax	7,827	7,505	6,709	796
County Sources				
Motor vehicle tax	49,797	70,076	47,652	22,424
Recreational vehicle tax	1,122	1,426	1,012	414
Commercial vehicle tax	1,903	2,030	1,613	417
State Sources				
General state aid	12,174	169,163	168,913	250
Total Cash Receipts	$ 732,359	$ 975,351	$ 756,406	$ 218,945
EXPENDITURES				
Principal	$ 515,000	$ 530,000	$ 530,000	$ -
Interest	161,325	145,650	145,650	-
Miscellaneous	-	1,500	1,500	-
Total Expenditures	$ 676,325	$ 677,150	$ 677,150	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ 56,034	$ 298,201		
UNENCUMBERED CASH - BEGINNING	1,168,488	1,224,522		
UNENCUMBERED CASH - ENDING	$ 1,224,522	$ 1,522,723		

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
STUDENT ORGANIZATION FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2024

	Balance July 1, 2023	Cash Receipts	Cash Disbursements	Balance June 30, 2024
Student Organization Funds				
Blue Ridge Elementary	$ 1,583	$ 943	$ 1,800	$ 726
Enterprise Elementary	4,099	3,462	6,801	760
Rural Center Elementary	5,601	12,298	12,180	5,719
Chapman Elementary	2,348	21,320	15,904	7,764
Chapman Middle School	39,581	29,857	29,316	40,122
Chapman High School	102,025	521,257	530,238	93,044
Payroll Clearing	(11,571)	-	-	(11,571)
Total Student Organizational Funds	$ 143,666	$ 589,137	$ 596,239	$ 136,564

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance
Gate Receipts				
Chapman High School	$ 140	$ 65,735	$ 60,545	$ 5,330
School Projects				
Blue Ridge Elementary	$ 50	$ 35,333	$ 35,333	$ 50
Enterprise Elementary	5,970	21,408	21,626	5,752
Rural Center Elementary	50	16,600	16,631	19
Chapman Elementary	(1,802)	167,323	167,323	(1,802)
Chapman Middle School	-	105,474	103,712	1,762
Chapman High School	694	72,771	72,681	784
Total School Projects	$ 4,962	$ 418,909	$ 417,306	$ 6,565
Total Activity Funds	$ 5,102	$ 484,644	$ 477,851	$ 11,895

November 3, 2026

Board of Education
Unified School District No. 473
Chapman, Kansas

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Chapman Unified School District No. 473 (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 November 3, 2026.

Internal Control over Financial Reporting
In planning and performing our audit, 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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of control deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the 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 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*.

1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1102 Commercial St., Suite A
Emporia, KS 66801

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

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

November 3, 2026

Board of Education
Unified School District No. 473
Chapman, Kansas

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance

Report on Compliance for Each Major Federal Program
We have audited the compliance of Chapman Unified School District No. 473 (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.

Management's Responsibility
Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility
Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program
In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

1501 Poyntz Avenue
Manhattan, KS 66502
785-537-2202 • fax 785-537-1877
http://www.varney.com
1102 Commercial St., Suite A
Emporia, KS 66801

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* 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, 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 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.

Purpose of this Report

This 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. According, this report is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

	Federal Assistance Number		Pass-Thru Entity Identifying Number	Federal Award Expenditures	Subrecipient Expenditures
U.S. Dept. of Agriculture					
Passed through State of Kansas Department of Education					
Child Nutrition Cluster					
Food Assistance - Breakfast	10.553		DO473	$ 83,265	$ -
Food Assistance - Lunch	10.555		DO473	296,524	-
Food Assistance - Summer Food	10.559		DO473	31,838	-
Total Child Nutrition Cluster				$ 411,627	$ -
Local Food for Schools	10.185			$ 7,343	$ -
Cash for Commodities	10.558			5,779	-
Total U.S. Dept of Agriculture				$ 424,749	$ -
U.S. Dept. of Education					
Direct U.S. Department of Education					
Impact Aid	84.041		DO473	$ 161,690	$ -
Passed through State of Kansas Department of Education					
Title I	84.010		DO473	$ 160,866	$ -
Title IIA	84.367		DO473	30,764	-
Student Support & Academic Enrichment	84.424		DO473	18,986	-
COVID-19 - Elementary and Secondary					
School Emergency Relief III	84.425U		DO473	320,900	-
Subtotal				$ 531,516	-
Total U.S. Dept. of Education				$ 693,206	$ -
U.S. Dept. of Health & Human Services					
Passed through State of Kansas Department of Education					
Covid-19 - KDHE K-12 Stay Positive	93.323	*	DO473	$ 69,458	$ -
TOTAL FEDERAL ASSISTANCE				$ 1,187,413	$ -

* Major Program

NOTE A: BASIS OF PRESENTATION

This schedule is prepared on a basis of accounting that demonstrates compliance with the cash basis. Cash receipts are recognized when the cash balance of a fund is increased. Cash disbursements are recognized when the cash balance of a fund is decreased. Expenditures include disbursements, accounts payable and encumbrances. The information in this 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).

NOTE B: INDIRECT COST RATE

The District does not allocate indirect costs to its federal award program. Accordingly, use of the 10% de minimis indirect cost rate provisioned by the Uniform Guidance, Section 414, is not applicable.

NOTE C: NON-CASH ASSISTANCE, INSURANCE, AND LOANS

The District did not receive or expend any federal awards in the form of non-cash assistance, insurance, loans or loan guarantees, including interest subsidies during the year ended June 30, 2024.

UNIFIED SCHOOL DISTRICT NO. 473
Chapman, Kansas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	___ Yes	_X_ None
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None reported
Noncompliance material to financial statements noted?	___ Yes	_X_ None

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	___ Yes	_X_ No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None reported
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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)	___ Yes	_X_ No

Identification of major programs:

Name of Federal Program	Federal AL Number
Child Nutrition Cluster	10.553, 10.555, 10.559
ESSER III	84.425U

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000	
Auditee qualified as a low-risk auditee?	___ Yes	_X_ No

NOTE: Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status changed by the U.S. Office of Management and Budget (OMB). Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

Section II - Financial Statement Findings

No matters were reported

Section III - Federal Award Findings and Questioned Costs

No matters were reported