UNIFIED SCHOOL DISTRICT NO. 491

Eudora, Kansas

Financial Statements

For the Year Ended June 30, 2025

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UNIFIED SCHOOL DISTRICT NO. 491
Financial Statements
For the Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 491
Eudora, Kansas

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 491, Eudora, Kansas, (the District), as of and for the year ended June 30, 2025 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, 2025, 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, 2025, 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statement
Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of receipts and disbursements-agency funds and the 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 analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and is 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 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.

Other Reporting Required by Government Auditing Standards

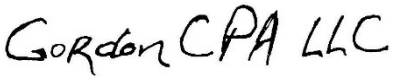
In accordance with *Government Auditing Standards,* we have also issued our report dated December 1, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.

Other Matters

Other Matter

The 2024 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2025 (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.

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, 2024 (not presented herein), and have issued our report thereon dated November 15, 2024, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipalservices. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2025 (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 2024 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 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 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 2024 basic financial statement or to the 2024 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 2024 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.



Certified Public Accountant
Lawrence, Kansas

December 1, 2025

UNIFIED SCHOOL DISTRICT NO. 491
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ -	$ -	$ 13,516,924	$ 13,516,924	$ -	$ 385,642	$ 385,642
Supplemental General	116,367	-	4,447,929	4,377,191	187,105	17,059	204,164
Special Purpose Funds:							
At Risk (K-12)	-	-	1,665,881	1,665,881	-	25,594	25,594
At Risk (Pre-K)	-	-	579,131	579,131	-	50,139	50,139
Bilingual Education	-	-	10,552	10,552	-	673	673
Virtual Education	-	-	204,492	204,492	-	[1,009]	[1,009]
Capital Outlay	101,276	-	1,628,865	1,727,731	2,410	3,272	5,682
Driver Training	10,295	-	20,500	29,410	1,385	3,117	4,502
Food Service	235,749	-	877,170	1,030,985	81,934	22,220	104,154
Professional Development	-	-	72,896	72,896	-	695	695
Parent Education	22	-	20,500	20,500	22	-	22
Special Education	-	-	3,789,815	3,789,805	10	1,735	1,745
Vocational Education	-	-	838,397	838,397	-	39,848	39,848
Gifts and Grants	63,384	-	205,587	220,323	48,648	2,232	50,880
KPERS Special Retirement Contribution	-	-	1,538,804	1,538,804	-	-	-
Federal Grant	92,823	-	2,182,539	2,366,622	[91,260]	10,399	[80,861]
Contingency Reserve	110,207	-	-	110,207	-	-	-
Textbook and Student Material Revolving	93,064	-	362,067	455,131	-	25	25
District Activity	28,006	-	160,337	160,148	28,195	-	28,195
Bond and Interest Funds:							
Bond and Interest #1	9,548,398	-	6,867,776	6,475,254	9,940,920	-	9,940,920
Capital Project Funds:							
2023-A Bond	30,691,518	-	642,138	25,972,722	5,360,934	14,246	5,375,180
Total	$ 41,091,109	$ -	$ 39,632,300	$ 65,163,106	$ 15,560,303	$ 575,887	$ 16,136,190

Composition of Cash:	Kaw Valley State Bank	
	Checking	4,211,344
	Money Market	404,987
	Central Bank of the Midwest	
	Money Market	5,645,873
	Trust	4,720,466
	Kansas Municipal Investment Pool	
	Overnight Investment Pool	1,379,848
	Cash Balance	16,362,518
	Less: Agency Funds per Schedule 3	[226,328]
	Total Reporting Entity (Excluding Agency Funds)	$ 16,136,190

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

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 491 (the District) is a municipal corporation governed by an elected seven-member board.

The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity, since Board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no related municipal entities that are included in the District's reporting entity.

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

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

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the District for the year ended June 30, 2025:

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

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

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

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

Agency Fund - used to report assets held by the municipal entity in a purely custodial capacity (i.e. payroll clearing fund, student organization fund, permanent trust funds, etc.).

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), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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 the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The District did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget was amended for the year ended June 30, 2025 for the General, At Risk (K-12), At Risk (Pre-K), Virtual Education, Capital Outlay, and Special Education funds.

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.

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

A legal operating budget is not required for capital project funds, agency funds, and the following special purpose funds: Textbook and Student Material Revolving, Contingency Reserve, and District Activities.

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

Expenditures in the amount of $171,591 and $98,603 are classified as reimbursed expenses in the General Fund and Special Education Fund, respectively. 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.

NOTE 2 - Deposits and Investments

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

Investments. 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.

NOTE 2 - Deposits and Investments (Continued)

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. 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's designated "peak periods" are from January 1 through February 28, April 16 through April 17, May 1 through May 15, and June 15 through July 10 at Kaw Valley Bank, and January 20 through February 13, May 1 through May 18, and June 5 through July 31 at Central Bank of the Midwest. All deposits were legally secured at June 30, 2025.

As of June 30, 2025, the District's carrying amount of deposits was $16,362,518 and the bank balance was $17,258,271. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $1,000,000 was covered by federal depository insurance and $16,258,271 was collateralized with securities held by the pledging financial institutions' agents in the District's name, and the balance was unsecured under a designated peak period.

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.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes 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 contribution rates are withheld by their employer and paid to KPERS according to 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, 2024. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57%, respectively, for the fiscal year ended June 30, 2025.

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.

NOTE 3 - Defined Benefit Pension Plan (Continued)

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

The State of Kansas is required to contribute the statutory required employer's share 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 $1,538,804 for the year ended June 30, 2025.

Net Pension Liability. As of June 30, 2025, the District's proportionate share of the collective net pension liability reported by KPERS was $13,593,458. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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, 2024. 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 KPERS website at www.kpers.org or can be obtained as described above.

NOTE 4 - 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 local government 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.

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, 2025.

NOTE 5 - Compensated Absences

The District's policies regarding vacation pay permit full-time classified employees to accumulate vacation days as follows:

Years of Service	Days per Year
1 - 5	12
6 - 10	15
11 - 15	18
16 or more	21

Unused vacation to be carried over at the end of the year may not exceed 10 days. The total possible accumulation of unused vacation is 31 days.

NOTE 5 - Compensated Absences (Continued)

The District's leave policies are as follows:

Classified Employees - Classified employees earn leave at the rate of one day for each month of service. Employees with 35 or more days of accumulated leave may, at their option, be paid for unused current leave days at the rate of $20 per day and will be paid at the conclusion of each school year.

Classified employees terminating their employment will be paid based on their ending daily rate for each day of adjusted accumulated leave, but only to the limit of accumulation their job allows.

Certified Personnel - A teacher with at least 15 years' experience within U.S.D. No. 491 will receive payment for all accumulated leave days at $75 per day upon leaving the District's employment.

Each teacher shall have the option of receiving payment for unused current leave or the teacher may transfer one or more days of the unused leave to his or her personal leave account. Payment for unused leave shall be $50 per day.

The estimated unused compensated absences as of June 30, 2025 is $348,242.

NOTE 6 - 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 disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are 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 statements of the District as of June 30, 2025.

NOTE 7 - 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 8 - Long-Term Debt

The following table summarizes changes in long-term debt for the year ended June 30, 2025:

Issue	Principal Outstanding July 1, 2024	Additions to Principal	Reductions of Principal	Principal Outstanding June 30, 2025	Interest Paid
General Obligation Bonds:					
Series 2016	$28,005,000	$ -	$2,100,000	$ 25,905,000	$ 741,994
Series 2019-A	7,360,000	-	1,295,000	6,065,000	176,579
Series 2019-B	4,965,000	-	-	4,965,000	215,925
Series 2020-A	170,000	-	100,000	70,000	1,272
Series 2023-A	37,985,000	-	-	37,985,000	1,844,400
Total General Obligation Bonds	78,485,000	-	3,495,000	74,990,000	2,980,170
Finance Leases:					
High School Stadium & Turf Upgrades	1,054,331	-	200,568	853,763	26,398
Apple Macbooks	100,520	-	49,837	50,684	1,709
Apple iPads	41,815	-	13,597	28,218	1,041
Total Finance Leases	1,196,666	-	264,001	932,664	29,148
Total Long Term Debt	$79,681,666	$ -	$3,759,001	$ 75,922,664	$3,009,318

General Obligation Bonds. The following table details the District's outstanding general obligation bonds as of June 30, 2025:

	Interest Rates	Date of Issue	Amount of Issue	Outstanding June 30, 2025	Final Maturity
General Obligation Bonds:					
Series 2016	1.75 to 3.00%	9/8/2016	$32,330,000	$ 25,905,000	9/1/2034
Series 2019-A	2.01 to 2.83%	12/17/2019	9,950,000	6,065,000	9/1/2029
Series 2019-B	4.00 to 4.75%	12/17/2019	4,965,000	4,965,000	9/1/2029
Series 2020-A	1.06%	7/29/2020	4,150,000	70,000	9/1/2025
Series 2023-A	4.00 to 5.00%	8/3/2023	37,985,000	37,985,000	9/1/2043
			$89,380,000	$ 74,990,000	

The annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 3,520,000	$ 2,885,085	$ 6,405,085
2027	3,590,000	2,774,047	6,364,047
2028	3,805,000	2,658,103	6,463,103
2029	3,905,000	2,538,376	6,443,376
2030	4,225,000	2,408,281	6,633,281
2031 - 2035	22,395,000	10,149,988	32,544,988
2036 - 2040	15,450,000	6,727,500	22,177,500
2041 - 2044	18,100,000	2,150,850	20,250,850
Total	$ 74,990,000	$ 32,292,230	$ 87,031,380

NOTE 8 - Long-Term Debt (Continued)

Legal Debt Margin. The District is subject to the municipal finance laws of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible taxable property within the District, as certified to the County Clerk on the preceding August 25. The District obtained permission from the Kansas State Board of Education to issue bonds in excess of its statutory limit.

Finance Leases. The following table details the District's outstanding finance leases as of June 30, 2025:

	Interest Rates	Date of Issue	Amount of Issue	Outstanding June 30, 2025	Final Maturity
Finance Leases:					
High School Stadium & Turf Upgrade	2.50%	5/31/2022	$1,250,000	$ 853,763	7/9/2028
Apple Macbooks	1.70%	4/1/2023	201,069	50,684	4/1/2026
Apple iPads	2.49%	8/11/2023	56,453	28,218	9/15/2026
			$1,507,522	$ 932,664	

The annual debt service requirements to maturity for the finance leases is as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 270,209	$ 22,080	$ 292,289
2027	225,019	16,585	241,604
2028	216,014	10,953	226,967
2029	221,422	5,544	226,966
Total	$ 932,664	$ 55,161	$ 987,826

NOTE 9 - Interfund Transfers

Transfers for the year ended June 30, 2025, are approved by the Board of Education and are as follows:

From	To	Amount	Regulatory Authority
General	Special Education	$ 2,770,558	K.S.A. 72-5167
General	At Risk (K-12)	1,250,923	K.S.A. 72-5167
General	Professional Development	65,179	K.S.A. 72-5167
General	Vocational Education	632,553	K.S.A. 72-5167
General	At Risk (Pre-K)	579,131	K.S.A. 72-5167
General	Textbook and Student Material Revolving	47,662	K.S.A. 72-5167
General	Billingual Education	10,552	K.S.A. 72-5167
General	Virtual Education	204,492	K.S.A. 72-5167
Supplemental General	Parent Education	20,500	K.S.A. 72-5143
Supplemental General	At Risk (K-12)	414,958	K.S.A. 72-5143
Supplemental General	Special Education	810,447	K.S.A. 72-5143
Contingency Reserve	Special Education	110,207	K.S.A. 72-5165
		$ 6,917,162	

NOTE 10 - Related Party Transactions

A Board of Education member's wife is the executive director of a District-related Foundation. The Foundation receives a portion of its funding from the District.

NOTE 11 - Stewardship, Compliance, and Accountability

Expenditures in the At Risk (Pre-K) Fund exceeded the adopted budget for the year ended June 30, 2025, which is a violation of K.S.A. 79-2935

UNIFIED SCHOOL DISTRICT NO. 491
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025

Funds	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year Budget	Variance Over [Under]
General Funds:						
General	$ 13,349,049	$ [3,716]	$ 171,591	13,516,924	$ 13,516,924	$ -
Supplemental General	4,377,191	-	-	4,377,191	4,377,191	-
Special Purpose Funds:						
At Risk (K-12)	1,667,632	-	-	1,667,632	1,665,881	[1,751]
At Risk (Pre-K)	460,000	-	-	460,000	579,131	119,131
Bilingual Education	11,832	-	-	11,832	10,552	[1,280]
Virtual Education	218,000	-	-	218,000	204,492	[13,508]
Capital Outlay	2,300,000	-	-	2,300,000	1,727,731	[572,269]
Driver Training	34,939	-	-	34,939	29,410	[5,529]
Food Service	1,368,281	-	-	1,368,281	1,030,985	[337,296]
Professional Development	105,664	-	-	105,664	72,896	[32,768]
Parent Education	22,050	-	-	22,050	20,500	[1,550]
Special Education	4,153,482	-	98,603	4,252,085	3,789,805	[462,280]
Vocational Education	845,014	-	-	845,014	838,397	[6,617]
Gifts and Grants	283,099	-	-	283,099	220,323	[62,776]
KPERS Special Retirement Contribution	1,793,786	-	-	1,793,786	1,538,804	[254,982]
Federal Grant	488,417	-	-	488,417	2,366,622	1,878,205
Debt Service Funds:						
Bond and Interest #1	6,476,170	-	-	6,476,170	6,475,254	[916]

UNIFIED SCHOOL DISTRICT NO. 491
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
General state aid	$ 10,489,349	$ 10,988,396	$ 10,992,112	$ [3,716]
Special education state aid	2,025,231	2,356,937	2,356,937	-
Reimbursements	144,899	171,591	-	171,591
Total Receipts	12,659,479	13,516,924	13,349,049	$ 167,875
Expenditures				
Instruction	4,976,774	3,758,743	$ 5,112,740	$ [1,353,997]
Student support services	480,062	634,799	494,033	140,766
Instructional support staff	367,231	339,783	395,566	[55,783]
General administration	664,855	680,996	689,993	[8,997]
School administration	761,660	814,944	796,284	18,660
Central services	292,289	290,690	301,773	[11,083]
Operations and maintenance	312,703	777,711	363,628	414,083
Transportation	620,516	658,208	527,596	130,612
Transfers out	4,183,389	5,561,050	4,667,436	893,614
Adjustments to comply with legal max	-	-	[3,716]	3,716
Adjustments for qualifying budget credits	-	-	171,591	[171,591]
Total Expenditures	12,659,479	13,516,924	$ 13,516,924	$ -
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 491
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	$ 1,292,326	$ 1,465,914	$ 1,604,015	$ [138,101]
Delinquent taxes	8,676	13,603	6,144	7,459
Motor vehicle taxes	104,066	103,596	91,477	12,119
Recreational vehicle taxes	2,712	3,082	2,680	402
Big truck taxes	1,500	1,056	2,670	[1,614]
Miscellaneous	60,547	65,704	-	65,704
State aid	2,671,173	2,781,267	2,781,267	-
Miscellaneous	2,664	13,707	-	13,707
Total Receipts	4,143,664	4,447,929	$ 4,488,253	$ [40,324]
Expenditures				
Instruction	1,575,761	2,304,338	$ 1,974,293	$ 330,045
Student support services	101,482	146,560	120,400	26,160
Instructional support staff	273,965	298,273	342,567	[44,294]
General administration	11,882	16,700	50,500	[33,800]
Central services	4,332	6,303	19,000	[12,697]
Operations and maintenance	-	-	202,836	[202,836]
Facility acquisition and construction	359,006	359,112	-	359,112
Transfers out	1,756,685	1,245,905	1,667,595	[421,690]
Total Expenditures	4,083,113	4,377,191	$ 4,377,191	$ -
Receipts Over [Under] Expenditures	60,551	70,738		
Unencumbered Cash, Beginning	55,816	116,367		
Unencumbered Cash, Ending	$ 116,367	$ 187,105		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 491
At Risk (K-12) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Transfers in	$ 1,528,707	$ 1,665,881	$ 1,667,632	$ [1,751]
Total Receipts	1,528,707	1,665,881	$ 1,667,632	$ [1,751]
Expenditures				
Instruction	1,528,707	1,665,881	$ 1,667,632	$ [1,751]
Total Expenditures	1,528,707	1,665,881	$ 1,667,632	$ [1,751]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 491
At Risk (Pre-K) Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Transfers in	$ -	$ 579,131	$ 460,000	$ 119,131
Total Receipts	-	579,131	$ 460,000	$ 119,131
Expenditures				
Instruction	-	579,131	$ 460,000	$ 119,131
Total Expenditures	-	579,131	$ 460,000	$ 119,131
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 491
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Transfers in	$ 8,366	$ 10,552	$ 11,832	$ [1,280]
Total Receipts	8,366	10,552	$ 11,832	$ [1,280]
Expenditures				
Instruction	10,583	10,552	$ 11,832	$ [1,280]
Total Expenditures	10,583	10,552	$ 11,832	$ [1,280]
Receipts Over [Under] Expenditures	[2,217]	-		
Unencumbered Cash, Beginning	2,217	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 491
Virtual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Miscellaneous	$ 3,025	$ -	$ 5,000	$ [5,000]
Transfers in	191,579	204,492	220,000	[15,508]
Total Receipts	194,604	204,492	$ 225,000	$ [20,508]
Expenditures				
Instruction	-	26,200	$ 101,786	$ [75,586]
Instructional support staff	81,286	-	-	-
School administration	113,318	178,292	116,214	62,078
Total Expenditures	194,604	204,492	$ 218,000	$ [13,508]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 491
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Ad valorem property taxes	780,553	$ 848,357	$ 837,461	$ 10,896
Delinquent taxes	7,411	9,066	3,693	5,373
Motor vehicle taxes	69,950	75,814	68,115	7,699
Recreational vehicle taxes	1,951	1,653	1,996	[343]
Big truck taxes	2,843	2,815	1,989	826
Miscellaneous	36,176	37,736	-	37,736
Capital outlay state aid	561,193	622,053	622,479	[426]
Investment income	136,566	24,694	573,914	[549,220]
Miscellaneous	-	6,677	-	6,677
Lease proceeds	56,453	-	-	-
Total Receipts	1,653,096	1,628,865	$ 2,109,647	$ [480,782]
Expenditures				
Instruction	4,939	135,574	$ 15,000	$ 120,574
Instructional support staff	20,590	303,850	30,000	273,850
School administration	2,412	9,015	10,000	[985]
Operations and maintenance	1,359,590	1,212,758	1,733,574	[520,816]
Transportation	91,962	65,496	55,311	10,185
Facilities acquisition and construction	290,700	1,038	456,115	[455,077]
Total Expenditures	1,770,193	1,727,731	$ 2,300,000	$ [572,269]
Receipts Over [Under] Expenditures	[117,097]	[98,866]		
Unencumbered Cash, Beginning	218,373	101,276		
Unencumbered Cash, Ending	$ 101,276	$ 2,410		

UNIFIED SCHOOL DISTRICT NO. 491
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
State aid	$ 10,295	$ -	$ 10,395	$ [10,395]
Transfers in	13,295	-	2,699	[2,699]
Miscellaneous	-	20,500	11,550	8,950
Total Receipts	23,590	20,500	$ 24,644	$ [4,144]
Expenditures				
Instruction	24,988	28,057	$ 33,189	$ [5,132]
Transportation	1,362	1,353	1,750	[397]
Total Expenditures	26,350	29,410	$ 34,939	$ [5,529]
Receipts Over [Under] Expenditures	[2,760]	[8,910]		
Unencumbered Cash, Beginning	13,055	10,295		
Unencumbered Cash, Ending	$ 10,295	$ 1,385		

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 491
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Federal aid	504,926	$ 495,183	$ 648,417	$ [153,234]
State aid	8,155	8,397	8,520	[123]
Charges for services	394,588	369,663	470,595	[100,932]
Miscellaneous	1,135	3,927	5,000	[1,073]
Total Receipts	908,804	877,170	$ 1,132,532	$ [255,362]
Expenditures				
Operation and maintenance	186,469	82,665	$ 115,500	$ [32,835]
Food service operation	930,579	948,320	1,252,781	[304,461]
Total Expenditures	1,117,048	1,030,985	$ 1,368,281	$ [337,296]
Receipts Over [Under] Expenditures	[208,244]	[153,815]		
Unencumbered Cash, Beginning	443,993	235,749		
Unencumbered Cash, Ending	$ 235,749	$ 81,934		

UNIFIED SCHOOL DISTRICT NO. 491
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Miscellaneous	$ 7,328	$ 7,717	$ 20,000	$ [12,283]
State aid	-	-	7,500	[7,500]
Transfers in	77,873	65,179	-	65,179
Total Receipts	85,201	72,896	$ 27,500	$ 45,396
Expenditures				
Instructional support staff	94,321	72,896	$ 105,664	$ [32,768]
Total Expenditures	94,321	72,896	$ 105,664	$ [32,768]
Receipts Over [Under] Expenditures	[9,120]	-		
Unencumbered Cash, Beginning	9,120	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 491
Parent Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Transfers in	$ 19,030	$ 20,500	$ 22,050	$ [1,550]
Total Receipts	19,030	20,500	$ 22,050	$ [1,550]
Expenditures				
Student support services	19,030	20,500	$ 22,050	$ [1,550]
Total Expenditures	19,030	20,500	$ 22,050	$ [1,550]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	22	22		
Unencumbered Cash, Ending	$ 22	$ 22		

UNIFIED SCHOOL DISTRICT NO. 491
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Miscellaneous	$ -	$ -	$ 647,223	$ [647,223]
Reimbursements	160,513	98,603	-	98,603
Transfers in	3,512,955	3,691,212	3,507,619	183,593
Total Receipts	3,673,468	3,789,815	$ 4,154,842	$ [365,027]
Expenditures				
Instruction	3,306,430	3,585,958	$ 3,864,459	$ [278,501]
Transportation	367,038	203,847	289,023	[85,176]
Adjustments for qualifying budget credits	-	-	98,603	[98,603]
Total Expenditures	3,673,468	3,789,805	$ 4,252,085	$ [462,280]
Receipts Over [Under] Expenditures	-	10		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 10		

UNIFIED SCHOOL DISTRICT NO. 491
Vocational Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Federal aid	$ 15,998	$ -	$ 16,000	$ [16,000]
Tuition	205,344	205,844	206,500	[656]
Transfers in	588,269	632,553	622,514	10,039
Total Receipts	809,611	838,397	$ 845,014	$ [6,617]
Expenditures				
Instruction	680,998	699,398	$ 708,435	$ [9,037]
Instructional support staff	442	4,747	450	4,297
School administration	67,822	68,669	69,759	[1,090]
Operations and maintenance	60,349	65,583	66,370	[787]
Total Expenditures	809,611	838,397	$ 845,014	$ [6,617]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 491
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
State aid	$ -	$ -	$ 65,215	$ [65,215]
Federal aid	-	-	9,500	(9,500)
Miscellaneous	206,037	205,587	145,000	60,587
Total Receipts	206,037	205,587	$ 219,715	$ [14,128]
Expenditures				
Instruction	153,212	143,406	$ 227,384	$ [83,978]
Student support services	-	11,486	-	11,486
Instructional support staff	-	698	-	698
General administration	55,948	64,733	-	64,733
Food service operations	-	-	55,715	[55,715]
Total Expenditures	209,160	220,323	$ 283,099	$ [62,776]
Receipts Over [Under] Expenditures	[3,123]	[14,736]		
Unencumbered Cash, Beginning	66,507	63,384		
Unencumbered Cash, Ending	$ 63,384	$ 48,648		

UNIFIED SCHOOL DISTRICT NO. 491
KPERS Special Retirement Contribution Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
KPERS state aid	$ 1,559,814	$ 1,538,804	$ 1,793,786	$ [254,982]
Total Receipts	1,559,814	1,538,804	$ 1,793,786	$ [254,982]
Expenditures				
Instruction	889,096	877,119	$ 1,022,458	$ [145,339]
Student support services	77,991	76,940	89,689	[12,749]
Instructional support services	62,393	61,552	71,751	[10,199]
General administration	46,794	46,164	53,814	[7,650]
School administration	124,785	123,104	143,503	[20,399]
Central services	54,593	61,552	71,751	[10,199]
Operations and maintenance	155,981	153,881	179,379	[25,498]
Food service	116,986	107,716	125,565	[17,849]
Transportation	31,195	30,776	35,876	[5,100]
Total Expenditures	1,559,814	1,538,804	$ 1,793,786	$ [254,982]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

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UNIFIED SCHOOL DISTRICT NO. 491
Federal Grant Funds
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025

	Title I	Title I Migrant	Title IIA
Receipts			
Federal aid	$ 180,096	$ 1,790,046	$ 26,837
Total Receipts	180,096	1,790,046	26,837
Expenditures			
Instruction	215,321	189,746	41,577
Student support services	-	1,575,967	-
Instructional support staff	-	25,679	-
General administration	-	2,288	-
Operations and maintenance	-	691	-
Total Expenditures	215,321	1,794,371	41,577
Receipts Over [Under] Expenditures	[35,225]	[4,325]	[14,740]
Unencumbered Cash, Beginning	-	4,325	[64,039]
Unencumbered Cash, Ending	$ [35,225]	$ -	$ [78,779]

ELC Grant	ESSR	AmeriCorps	Actual	Budget	Variance Over [Under]
$ 35,647	$ 101,629	$ 48,284	$ 2,182,539	$ 395,594	$ 1,786,945
35,647	101,629	48,284	2,182,539	$ 395,594	$ 1,786,945
-	143,576	-	590,220	$ 488,417	$ 101,803
-	-	-	1,575,967	-	1,575,967
-	81,005	-	106,684	-	106,684
-	-	78,952	81,240	-	81,240
-	11,820	-	12,511	-	12,511
-	236,401	78,952	2,366,622	$ 488,417	$ 1,878,205
35,647	[134,772]	[30,668]	[184,083]		
[36,124]	188,661	-	92,823		
$ [477]	$ 53,889	$ [30,668]	$ [91,260]		

UNIFIED SCHOOL DISTRICT NO. 491
Contingency Reserve Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2025 and 2024

	Prior Year Actual	Current Year Actual
Receipts		
Transfers in	$ -	$ -
Total Receipts	-	-
Expenditures		
Transfers out	-	110,207
Total Expenditures	-	110,207
Receipts Over [Under] Expenditures	-	[110,207]
Unencumbered Cash, Beginning	110,207	110,207
Unencumbered Cash, Ending	$ 110,207	$ -

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 491
Textbook and Student Material Revolving Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2025 and 2024

	Prior Year Actual	Current Year Actual
Receipts		
Miscellaneous	$ 215,740	$ 314,405
Transfers in	-	47,662
Total Receipts	215,740	362,067
Expenditures		
Instruction	-	388,596
Instructional support staff	409,621	66,535
Total Expenditures	409,621	455,131
Receipts Over [Under] Expenditures	[193,881]	[93,064]
Unencumbered Cash, Beginning	286,945	93,064
Unencumbered Cash, Ending	$ 93,064	$ -

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 491
Bond and Interest #1 Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Amounts for the Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Revenues:				
Ad valorem taxes	$ 2,696,385	$ 2,874,046	$ 2,839,392	$ 34,654
Delinquent taxes	21,867	31,773	12,762	19,011
Motor vehicle taxes	245,348	265,268	236,020	29,248
Recreational vehicle taxes	6,845	5,770	6,915	[1,145]
Big truck taxes	2,417	3,051	6,892	[3,841]
Miscellaneous	125,774	128,647	-	128,647
Interest income	7,621	126,560	-	126,560
State aid	3,277,907	3,432,661	3,508,779	[76,118]
Total Receipts	6,384,164	6,867,776	$ 6,610,760	$ 257,016
Expenditures				
Principal	3,367,963	3,495,000	$ 3,495,000	$ -
Interest and other bond charges	2,174,187	2,980,254	2,981,170	[916]
Total Expenditures	5,542,150	6,475,254	$ 6,476,170	$ [916]
Receipts Over [Under] Expenditures	842,014	392,522		
Unencumbered Cash, Beginning	8,706,384	9,548,398		
Unencumbered Cash, Ending	$ 9,548,398	$ 9,940,920		

UNIFIED SCHOOL DISTRICT NO. 491
2023-A Bond Fund *
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended June 30, 2025 and 2024

	Prior Year Actual	Current Year Actual
Receipts		
Investment income	$ 1,735,894	$ 626,059
Reimbursements	-	16,079
Bond proceeds	41,088,025	-
Total Receipts	42,823,919	642,138
Expenditures		
Facility acquisition and construction	12,042,863	25,972,722
Total Expenditures	12,042,863	25,972,722
Receipts Over [Under] Expenditures	30,781,056	[25,330,584]
Unencumbered Cash, Beginning	[89,538]	30,691,518
Unencumbered Cash, Ending	$ 30,691,518	$ 5,360,934

* This fund is not required to be budgeted.

UNIFIED SCHOOL DISTRICT NO. 491
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2025

FUND	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Eudora Elementary School:				
Art	$ 1,494	$ 380	$ -	$ 1,874
Cardinal Club	875	29	-	904
Care Fund	545	-	-	545
Caring Community	3,098	-	-	3,098
Drama Club	2,499	2,511	1,420	3,590
ESS Garden	566	-	548	18
Library	3,446	9,358	9,308	3,496
Mixed Abilities Class	-	1,000	-	1,000
Music	540	606	1,049	97
Newspaper	18	-	18	-
PBIS	2,274	1,700	1,781	2,193
Pepsi	1,205	-	1,205	-
Polar Express	94	-	-	94
Principal's Council	25,938	10,182	20,655	15,465
Science Fair	326	-	-	326
Total Eudora Elementary Activity Funds	42,918	25,766	35,984	32,700
Eudora Middle School				
Art	300	-	-	300
Band	-	1,250	645	605
Box Tops for Education	539	-	385	154
Cardinal Ambassadors	493	-	-	493
Cardinals Care Fund	613	-	-	613
Cardinal Club	1,427	1,193	1,797	823
Cardinal Fit	150	-	-	150
Cardinal LinkUP	886	200	724	362
Cardinal Market	300	-	-	300
Conditioning	6,162	10,865	6,226	10,801
Cross Country	1,358	37	69	1,326
Dance Club	58	-	-	58
DIY Club	994	-	645	349
Drama Club	1,046	146	-	1,192
FBLA	810	-	-	810
FCA	548	-	-	548
Football	1,550	166	-	1,716
Garden Club	605	-	-	605
Girls Basketball	588	230	-	818
Grilling Club	277	1,200	527	950
KAY Club	151	-	-	151
MTSS	1,697	1,838	2,250	1,285
Pep Club	244	102	-	346
PBIS	1,589	2,385	2,439	1,535
Reading Club	2,814	2,000	-	4,814
Science Club	225	-	-	225
Special Olympics	-	2,141	578	1,563
Student Council	2,990	967	1,012	2,945
Science Olympiad	434	1,855	970	1,319
Track	309	-	-	309
Yearbook	5,706	2,953	3,134	5,525
Youth Prevention	630	1,450	351	1,729
Total Eudora Middle School Activity Funds	35,493	30,978	21,752	44,719

UNIFIED SCHOOL DISTRICT NO. 491
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2025

FUND	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Eudora High School				
Activity 101	$ 4,713	$ 10,636	$ 9,010	$ 6,339
Ag Class	688	3,150	114	3,724
Alternative/Virtual	231	1,500	538	1,193
Art	2,664	-	-	2,664
Athletic Trainer	1,025	1,088	575	1,538
Band Club	5,871	15,782	17,959	3,694
Banners Donations	4,724	14,368	15,655	3,437
Baseball Club	9,334	14,432	23,296	470
Boys Basketball Club	841	13,565	7,952	6,454
Cheer and Dance Festival	2,885	-	-	2,885
Cheerleading	617	15,946	12,196	4,367
Table Top Games Club	712	1,320	564	1,468
Choir	5,164	2,638	3,912	3,890
Senior Trip	8,596	24,594	25,315	7,875
Class 2024	9,760	-	2,360	7,400
Class 2025	3,554	3,838	5,742	1,650
Class 2026	5,086	3,615	5,487	3,214
Class 2027	2,670	2,835	-	5,505
Class 2028	-	2,532	15	2,517
Concessions	12,170	44,353	43,016	13,507
Courtesy Club	3,588	1,154	1,481	3,261
Cross Country	4,331	858	3,697	1,492
Cycling Club	655	-	655	-
Color Guard	1,658	-	-	1,658
Dale Sample Assistance	2,514	-	-	2,514
Dance Team	1,915	-	-	1,915
Douglas County Youth Board	2,309	4,175	950	5,534
Drama Club	349	250	-	599
Economics Class	246	856	89	1,013
Environmental Club	318	-	-	318
EHS Principal Building Fund	16,855	780	5,670	11,965
EHS Office Courtesy Club	360	-	334	26
Fashion and Interior Design Club	-	920	474	446
FBLA	4,761	10,738	4,671	10,828
FCA	229	165	-	394
FFA	8,653	14,979	20,190	3,442
Finance Classes	-	1,620	2,500	[880]
Football	1,155	30,495	26,965	4,685
Forensics Debate	157	1,568	68	1,657
Girls Basketball	2,318	6,187	4,427	4,078
Girls Golf	6,642	9,363	5,845	10,160
Boys Golf	951	3,084	3,125	910
GSA	327	-	-	327
History Day	400	-	-	400
HOSA	-	6,930	2,945	3,985
International Club	1,403	1,227	1,514	1,116
Journalism	-	1,125	-	1,125
KSHSAA Music Festival	1,081	-	-	1,081
Library Fund	1,693	2,060	356	3,397
Life Skills Class	258	543	214	587
Moeckel Science Club	250	-	-	250
Subtotal Eudora High School Activity Funds	146,681	275,269	259,876	162,074

UNIFIED SCHOOL DISTRICT NO. 491
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2025

FUND	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Eudora High School				
NHS	$ 350	$ 860	$ 385	$ 825
Physics Club	21	-	-	21
Play & Musical	4,620	5,712	4,949	5,383
Powerlifting	535	3,390	3,091	834
SADD/SAFE	4,839	-	-	4,839
Scholars Bowl	691	3,060	195	3,556
Scholarships	25,940	23,300	28,900	20,340
Science Dept	268	-	26	242
Science Olympiad	3,772	7,858	8,132	3,498
SkillsUSA:Auto Collision	5,022	3,690	5,564	3,148
Club Auto Collision	-	554	-	554
SkillsUSA: Culinary arts	9,188	6,412	14,855	745
Club Culinary Arts	-	21,624	14,834	6,790
SkillsUSA: Drafting Class	1,007	265	1,457	[185]
Club Drafting	-	2,168	1,742	426
SkillsUSA: Health careers	10,451	4,850	8,153	7,148
SkillsUSA:Industrial Tech	1,235	3,359	3,172	1,422
Club Industrial Tech	-	1,716	344	1,372
SkillsUSA: Visual arts	746	-	257	489
Club Visual Arts	-	10	-	10
SkillsUSA: Yearbook	24,018	13,755	22,940	14,833
SkillsUSA: Welding	-	1,880	380	1,500
Club Welding	-	730	-	730
Cardinal Corp	7,062	3,781	8,962	1,881
Soccer - Boys	2,717	6,856	5,244	4,329
Soccer - Girls	3,124	7,109	8,419	1,814
Softball	14,286	11,526	13,357	12,455
Student council	2,022	4,693	5,122	1,593
Summer conditioning/weighlifting	5,512	9,290	4,749	10,053
Testing fees	282	640	687	235
Track	1,159	3,251	2,325	2,085
Uncategorized and Uncleared	579	3,442	3,261	760
Unified Bowling	2,330	117	517	1,930
Video Productions Club	-	1,470	1,260	210
Video Club	5,362	7,325	8,096	4,591
Volleyball	329	8,850	4,917	4,262
Volleyball - Dig Pink	2,772	4,935	4,900	2,807
Wrestling	2,402	11,491	13,496	397
Total Eudora High School Activity Funds	289,322	465,238	464,564	289,996
Total All School Activity Funds	367,733	521,982	522,300	367,415
Clearing Account	[87,809]	116,341	169,619	[141,087]
Total Agency Funds	$ 279,924	$ 638,323	$ 691,919	$ 226,328

See independent auditor's report on the financial statements.

UNIFIED SCHOOL DISTRICT NO. 491
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2025

FUND	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
District activity funds:							
Eudora High School							
Revolving Gate Entry	$ 150	$ -	$ 76,326	$ 73,759	$ 2,717	$ -	$ 2,717
Driver's Education	20,500	-	15,325	20,725	15,100	-	15,100
Users Fees	605	-	5,183	5,788	-	-	-
Sales Tax	36	-	13,219	13,042	213	-	213
Total Eudora High School	21,291	-	110,053	113,314	18,030	-	18,030
Eudora Middle School							
Revolving Gate Entry	-	-	27,208	27,208	-	-	-
Users Fees	1,550	-	5,167	5,846	871	-	871
Sales Tax	-	-	2,530	2,530	-	-	-
Total Eudora Middle School	1,550	-	34,905	35,584	871	-	871
Eudora Elementary School							
User Fees	614	-	11,193	11,193	614	-	614
Sales Tax	-	-	57	57	-	-	-
Total Eudora Elementary School	614	-	11,250	11,250	614	-	614
District Petty Cash	4,551	-	4,129	-	8,680	-	8,680
Total	$ 28,006	$ -	$ 160,337	$ 160,148	$ 28,195	$ -	$ 28,195

UNIFIED SCHOOL DISTRICT NO. 491
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Beginning Unencumbered Cash	Receipts	Expenditures	Ending Unencumbered Cash
U.S. Department of Education					
Title I Grants to Local Educational Agencies	84.010	$ -	$ 161,967	$ 197,192	$ [35,225]
Title I Migrant	84.011	4,325	1,790,046	1,794,371	-
Improving Teacher Quality State Grants	84.367	[64,038]	26,837	41,577	[78,778]
Student Support and Academic Enrichment Program	84.424	-	18,129	18,129	-
Education Stabilization Fund	84.425	155,642	-	155,642	-
Total U.S. Department of Education			1,996,979	2,206,911	
U.S. Department of Health and Human Services					
Passed Through State Department of Education:					
CCDF Cluster:					
Child Care and Development Block Grant	93.575	[36,124]	35,647	-	[477]
Total CCDF Cluster			35,647	-	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	33,019	101,629	80,758	53,890
Total U.S. Department of Health and Human Services			137,276	80,758	
U.S. Corporation for National and Community Service					
Passed Through State Department of Education:					
Americorps State and National	94.006	-	48,284	78,952	[30,668]
Total U.S. Corporation for National and Community Service			48,284	78,952	
U.S. Department of Labor					
Passed Through State Department of Education:					
Registered Apprenticeship	17.285	-	11,500	10,000	1,500
Total U.S. Department of Labor			11,500	10,000	
U.S. Department of Agriculture					
Passed Through State Department of Education:					
Child Nutrition Cluster:					
School Breakfast Program	10.553	-	127,437	127,437	-
National School Lunch Program	10.555	-	321,307	321,307	-
Summer Food Service Program for Children	10.559	-	46,437	46,437	-
Total Child Nutrition Cluster			495,181	495,181	
Child Nutrition Discretionary Grants	10.579	-	8,211	10,041	[1,830]
Fresh Fruits and Vegetables	10.582	-	36,819	36,819	-
Total U.S. Department of Agriculture			540,211	542,041	
Total Expenditures of Federal Awards			$ 2,734,250	$ 2,918,662	

The accompanying notes are an integral part of this schedule.

UNIFIED SCHOOL DISTRICT NO. 491

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

1. Organization

Unified School District No. 491, Eudora, Kansas (the District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District and is presented on the Kansas regulatory basis of accounting, which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. The District elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position as of June 30, 2025.

5. Outstanding Loans

The District did not have any outstanding loans under any federal grants as of June 30, 2025.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

UNIFIED SCHOOL DISTRICT NO. 491
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified (Regulatory Basis) Adverse (GAAP)			
Internal control over financial reporting:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	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 the Uniform Guidance		Yes	X	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.011	Title I Migrant

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

UNIFIED SCHOOL DISTRICT NO. 491
Schedule of Findings and Questioned Costs - Continued
For the Year Ended June 30, 2025

Section II - Financial Statement Findings

Current Year Findings

None noted

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

UNIFIED SCHOOL DISTRICT NO. 491
Schedule of Findings and Questioned Costs - Continued
For the Year Ended June 30, 2025

Section II - Financial Statement Findings

Prior Year Findings

None noted

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None noted

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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. 491
Eudora, 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 statements of Unified School District No. 491 (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 1, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, 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 controls 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 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 charge with governance.

Our consideration of internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

December 1, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Unified School District No. 491
Eudora, 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. 491, Eudora, Kansas (the District), with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. 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 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, 2025.

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 (*Government Auditing Standards*); 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 requirement referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grants 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 of 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 GAAS, *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 judgement 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement 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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

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 the 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 the internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the District as of and for the year ended June 30, 2025, and have issued our report thereon dated December 1, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, 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 financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

December 1, 2025