

UNIFIED SCHOOL DISTRICT NO. 410
(Durham-Hillsboro-Lehigh)

REGULAR BOARD MEETING
Monday, October 10, 2022
7:00 pm

USD 410 District Office Conference Room
416 S. Date
Hillsboro, KS 67063

Agenda—Regular Board Meeting
USD 410 District Office Conference Room
October 10, 2022, 7:00 p.m.

- A. Meeting called to order
- B. Approval of regular and consent agenda
 - 1. September Regular Board Minutes (Appendix A)
 - 2. Committee Additions
 - 3. Donations
- C. Citizens' Open Forum
- D. Principal Reports
- E. Action and Discussion Items
 - 1. Annual Financial Audit Report (Appendices B and C)
 - 2. TEEN Inter Local Agreement (Appendix D)
 - 3. Building Improvement Needs
 - 4. Swimming
- F. Executive Session for Personnel
- G. Personnel
 - 1. Resignation
 - 2. Classified Employees Rates/Hours
- H. Reports
 - 1. Superintendent
 - 2. TEEN (Appendix E)
 - 3. MCSEC (Appendix F)
 - 4. Business Manager (Financials)
- I. Adjournment

Annotated BOE Agenda October 10, 2022

A. Meeting Called to Order

B. Approval of Regular and Consent Agenda

Consent Agenda

The U.S.D. 410 Board of Education uses the consent agenda as a way to operate more efficiently. Items on the consent agenda are routine in nature and generally do not require discussion by the board. Prior to approval of the consent agenda, board members may request that items be removed and placed on the regular agenda.

1. September Regular Board Meeting Minutes (Appendix A)

Minutes from the September 12 Regular BOE meeting are included as Appendix A.

➤ ***Recommended Action***

Motion to approve the September 12 regular board meeting minutes

2. Committee Additions

Nathan Hiebert was inadvertently left off the district technology committee and the Hillsboro Elementary Leadership team at the September meeting.

➤ ***Recommended Action***

Motion to add Nathan Hiebert to the District Technology Committee and the Hillsboro Elementary Leadership Team.

3. Donations

Business/Individual	Donation	Purpose
Central Kansas Community Foundation	\$600.00	HES After School Music Equipment
Rachel Winter	\$2,545.00	Cooler for Horticulture Projects
Bike Across Kansas	\$1,000.00	Undesignated
Hillsboro High Athletic Booster Club	\$3,500.00	HUDL Software Support

➤ ***Recommended Action***

Motion to accept donations as listed

➤ ***Recommended Action:***

Motion to approve the regular agenda

Motion to approve the consent agenda

C. Citizens' Open Forum

This is an open forum where patrons have the opportunity to speak and/or present to the board items that are otherwise not on the agenda. It is recommended the board not take any immediate action relating to issues presented in citizen's open forum.

D. Principal Reports

The principals will be here to report on the beginning of school in each of their buildings.

E. Action & Discussion Items

1. Annual Financial Audit Report (Appendices B and C)

A representative from Loyd, Group LLC will be here to present our financial audit for FY 2022. A printed copy of the report will be available at the board meeting. An electronic version of the financial statements and the management letter is linked to Appendices B and C

➤ ***Recommended Action:***

Motion to approve the FY 2022 Audit Report

2. TEEN Interlocal Agreement (Appendix D)

Every five years the schools in the TEEN network approve an interlocal cooperation agreement. In order to continue to be a part of the network

➤ ***Recommended Action***

Motion to approve the Interlocal Cooperation Agreement with the TEEN Network from July 1, 2023- June 30, 2028.

3. Building Improvement Needs

The board of education will discuss what capital improvements need to be completed.

➤ ***Recommended Action***

No action is recommended at this time

4. Swimming

Last year the BOE approved girls' swimming for the 2022-2023 school year, our KSHSAA cooperative agreement was for two years.

➤ ***Recommended Action***

Motion to approve girls' swimming with the same cooperative agreement details as last year.

F. Executive Session for Personnel

Motion for the Board to go into executive session to discuss a resignation, classified hours, rate changes and evaluations pursuant to the non-elected Personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at _____ in this room. The executive session is required to protect the privacy rights of identifiable individuals.

G. Personnel

1. Resignation

- a. Tammy Smith has resigned as assistant MS volleyball coach effective September 27, 2022.

➤ ***Recommended Action***

Motion to approve Tammy Smith's resignation effective September 27, 2022 as middle school assistant volleyball coach

2. Classified Employee Rates and Hours

- a. Classified Employee Pay Rates

We need to establish pay rates for Individuals providing athletic training and security services during the 2022 – 2023 school year and are recommending the following rates:

<u>Position</u>	<u>Rate</u>
Athletic Trainer	\$50.00 Per Event
Security Worker	\$50.00 Per Event

Note: An event will be considered as one football game or two basketball games.

➤ ***Recommended Action***

Motion to approve a rate of \$50.00 per event for persons providing athletic training or security services.

- b. Classified Employee Hour Changes

We are recommending the following changes in classified employees' daily scheduled hours:

Jonathan Douglas – Hillsboro Middle/High Custodian
Decrease from 8.00 Hours to 4.00 Hours

Brenda Sechrist – Hillsboro Elementary School Title I Aide
Decrease from 7.00 Hours to 6.75 Hours

Connie Beavers – Hillsboro Elementary School Title I Aide
Increase from 6.50 Hours to 6.75 Hours

➤ ***Recommended Action***

Motion to approve the recommended changes in classified employees' hours.

➤ ***Recommended Action***

Motion to approve all classified employee rates and hours changes as presented

H. Reports

1. Superintendent
2. TEEN (Appendix E)
3. MCSEC (Appendix F)
4. Business Manager (Financials)

➤ ***Recommended Action:***

Motion to approve the payment of bills totaling \$_____ and the following financial reports.

- USD 410 Activity Account Report
- USD 410 Activity Account Bank Reconciliation
- District Report of Transfers
- District Cash Summary Report
- District Accounts Bank Reconciliation, Bank Account Balance Report, and Securities Report
- District Expense Budget Report

I. Adjournment

New Executive Session Motions (if needed at any time in the meeting)

1. Personnel

Motion for the Board to go into executive session to (subject) pursuant to the non-elected Personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at _____ in this room. The executive session is required to protect the privacy rights of identifiable individuals.

2. Negotiations

Motion for the Board to go into executive session to (subject) pursuant to the exception for employer-employee negotiations under the Kansas Open Meetings Act (KOMA) and to return to open meeting at _____ in this room. The executive session is required to protect the board's negotiating interests.

3. Student(s)

Motion for the Board to enter into executive session to (subject) pursuant to the exception relating to actions adversely or favorably affecting a student under the Kansas Open Meetings Act (KOMA) and to return to open meeting at _____ in this room. The executive session is required to protect the privacy rights of identifiable individuals.

4. Attorney/Client

Motion for the board to go into executive session to (subject) pursuant to the exception for matters which would be deemed privileged in the attorney-client relationship under the Kansas Open Meetings Act (KOMA) and to return to open meeting at _____ o'clock in this room. This executive session is required to protect attorney-client privilege and the public interest.

5. Transactions Related to Real Property

Motion that the board go into executive session to (subject) pursuant to the exception for preliminary discussion of the acquisition of real property under the Kansas Open Meetings Act (KOMA) and to return to open meeting at _____ o'clock in this room. This executive session is required to protect the district's financial interest and bargaining position.

**UNIFIED SCHOOL DISTRICT NUMBER 410
HILLSBORO, KANSAS**

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2022



LOYD GROUP, LLC

Certified Public Accountants

**UNIFIED SCHOOL DISTRICT NUMBER 410
Hillsboro, Kansas**

Fiscal Year Ended June 30, 2022

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**UNIFIED SCHOOL DISTRICT NUMBER 410
Hillsboro, Kansas**

Fiscal Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District 410
Hillsboro, KS 67063

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 Number 410, Kansas (District), a Municipal Financial Reporting Entity, as of and for the year ended June 30, 2022, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified 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, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial 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.

Other Matter

The prior year's financial statement for the year ended June 30, 2021, was audited by another auditor, who expressed an unmodified opinion on regulatory basis of accounting, on November 1, 2021.

D. Scot Loyd, CPA, CGFM, CFE, CGMA, CNC

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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, schedule of regulatory basis receipts and disbursements—agency funds, schedules of regulatory basis receipts, expenditures and unencumbered cash—district activity funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself,

and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

Another auditor previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District Number 410 as of and for the year ended June 30, 2021 (not presented herein), and have issued their report thereon dated November 1, 2021, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and their accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipalservices>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2022 (Schedule 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 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2021, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statement of Unified School District Number 410, Kansas. 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 also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole, 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 October 5, 2022, on our consideration of Unified School District Number 410'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 Unified School District Number 410'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 Unified School District Number 410's internal control over financial reporting and compliance.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
October 5, 2022

**Unified School District Number 410
HILLSBORO, KS**

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended June 30, 2022

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUNDS:							
General Fund	\$ -	\$ -	\$ 5,143,386	\$ 5,143,386	\$ -	\$ 5,750	\$ 5,750
Supplemental General Fund	27,973	-	1,731,826	1,686,833	72,966	28,484	101,450
SPECIAL PURPOSE FUNDS:							
At Risk (4 Yr Old) Fund	110,000	-	217,945	217,945	110,000	-	110,000
At Risk (K-12) Fund	190,000	-	406,166	406,166	190,000	-	190,000
Bilingual Education Fund	-	-	11,307	11,307	-	-	-
Virtual Education Fund	-	-	32,084	32,084	-	-	-
Capital Outlay Fund	1,016,671	-	623,647	818,901	821,417	200,215	1,021,632
Driver Training Fund	5,594	-	9,912	8,756	6,750	-	6,750
Food Service Fund	40,333	-	375,164	321,085	94,412	116	94,528
Professional Development Fund	20,000	-	23,366	23,366	20,000	-	20,000
Parent Education Fund	35,489	-	156,617	159,319	32,787	1,149	33,936
Special Education Fund	614,847	-	1,387,969	1,367,824	634,992	-	634,992
Career and Postsecondary Education Fund	225,000	-	447,966	447,966	225,000	602	225,602
KPERS Special Retirement Contribution Fund	-	-	538,415	538,415	-	-	-
Children's Dental Care Program Fund	14,803	-	10,000	2,257	22,546	-	22,546
Farm to School Fund	17,235	-	-	55	17,180	-	17,180
Gifts and Grants Fund	184,294	-	93,630	185,480	92,444	13,781	106,225
HES Fundraising Fund	8,929	-	1,898	5,647	5,180	-	5,180
HMS Fundraising Fund	1,115	-	7,553	6,484	2,184	-	2,184
HHS Fundraising Fund	2,804	-	1,872	332	4,344	-	4,344
Title I Fund	-	-	74,898	74,898	-	-	-
Title II-A Fund	-	-	13,600	13,600	-	-	-
Title IV-A Fund	-	-	13,602	13,602	-	-	-
ESSER I Fund	(2,525)	-	2,525	-	-	-	-
ESSER II Fund	-	-	-	73,031	(73,031)	-	(73,031)
KDHE Covid Testing Grant Fund	-	-	18,103	34,852	(16,749)	-	(16,749)
Gate Receipts	-	-	46,923	46,923	-	-	-
School Projects	100,686	-	51,368	72,625	79,429	-	79,429
BOND AND INTEREST FUND:							
Bond and Interest Fund	1,699,654	-	910,400	594,638	2,015,416	-	2,015,416
TRUST FUNDS:							
Good Citizen Scholarship Fund	-	-	7,000	7,000	-	1,750	1,750
C.M Sextro Scholarship Fund	-	-	400	400	-	-	-
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 4,312,902</u>	<u>\$ -</u>	<u>\$ 12,359,542</u>	<u>\$ 12,315,177</u>	<u>\$ 4,357,267</u>	<u>\$ 251,847</u>	<u>\$ 4,609,114</u>

COMPOSITION OF CASH

Money Market - Hillsboro State Bank	\$ 3,988,362
Money Market Athletic Facility - Hillsboro State Bank	599,901
Central Office Petty Cash Fund - Emprise Bank	1,500
High School/Middle School Petty Cash Fund - Emprise Bank	1,500
High School/Middle School Activity Account - Emprise Bank	104,207
Kansas Municipal Investment Pool	293
Total Cash	4,695,763
Agency Funds per Schedule 3	(86,649)
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 4,609,114</u>

**UNIFIED SCHOOL DISTRICT NUMBER 410
Hillsboro, Kansas**

NOTES TO THE FINANCIAL STATEMENT

Fiscal Year Ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Municipal Financial Reporting Entity*

Unified School District Number 410, Hillsboro, Kansas is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District Number 410 (the District), a municipality.

(b) *Regulatory Basis Fund Types*

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 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 account for the debt proceeds and other financial resources to be used for the acquisition or construction of major capital facilities or equipment.

Business Fund—funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

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

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

(c) *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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(d) 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 provided for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of 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.
- 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.

'Senate Bill 13 repealed the tax lid law and introduced the use of a revenue neutral rate with an additional budget hearing required if the proposed tax levy exceeds the revenue neutral rate. These policy changes apply to the 2022 budget cycle. Additional information can be found in the Memo to State of Kansas Taxing Subdivisions (2021) at <https://admin.ks.gov/offices/oar/municipal-services>.

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

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

All legal annual operating budgets are prepared using the regulatory basis of accounting in which 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 Trust Funds, Capital Project Funds and the following Special Purpose Funds: Children's Dental Care Program, Farm to School, Gifts and Grants, HES Fundraising, HMS Fundraising, HHS Fundraising, Title I, Title II-A, Title IV-A, ESSER I, ESSER II, KDHE Covid Testing Grant, Gate Receipts, and School Projects.

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes. According to K.S.A 12-16, 108 through 12-16, 111, both federal and state grants are exempt from local budgeting requirements. A cash basis violation does not occur when the municipality is waiting on a federal or state grant reimbursement. The District received an ESSER grant in 2022 to reimburse the ESSER II Fund. The District also received a KDHE Covid Testing Grant to reimburse the KDHE Covid Testing Grant Fund.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, 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.

3. DEPOSITS AND INVESTMENTS (cont.)

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 investment choices. The rating of the District's investments is noted below.

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. At June 30, 2022, the District held 100% of their investments in the Kansas Municipal Investment Pool.

Custodial credit risk. Custodial credit risk is the risk that in the event of 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. All deposits were legally secured at June 30, 2022.

At year end the carrying amount of the District's cash and certificates of deposit was \$4,695,763. The bank balance was held by two banks resulting in a concentration of credit risk. The bank balance was \$5,153,442. Of the bank balance, \$361,313 was covered by F.D.I.C. insurance and \$4,792,129 was collateralized by FHLB letters of credit and with securities held by the pledging institutions' agents in the District's name.

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

At June 30, 2022, the District had invested \$293 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

As of June 30, 2022, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity Less than 1 Year</u>	<u>Rating</u>
Kansas Municipal Investment Pool	\$ <u>293</u>	\$ <u>293</u>	S&P AAf/S1+

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$223,685 subsequent to June 30, 2022, and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2022.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General Fund	Special Education Fund	K.S.A. 72-6478	\$ 916,440
General Fund	Virtual Education Fund	K.S.A. 72-6478	32,084
General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	305,462
Supplemental General Fund	At Risk (4 Yr Old) Fund	K.S.A. 72-6478	55,115
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-6478	100,704
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-6478	11,307
Supplemental General Fund	Professional Development Fund	K.S.A. 72-6478	20,496
Supplemental General Fund	Parent Education Fund	K.S.A. 72-6478	17,697
Supplemental General Fund	Special Education Fund	K.S.A. 72-6478	468,701
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-6478	447,966
			<u>\$ 2,375,972</u>

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) 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.

(b) Death and Disability Other Post Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2022.

(c) Compensated Absences

Vacation, sick leave and other compensated absences are recorded as expenditures in governmental funds when they are paid.

Employees earn 15 days of sick leave each year with a maximum accumulation of 90 days. Payment for unused sick leave for employees is made for sick days that would be lost over the maximum. It is paid with the first paycheck of the succeeding year's contract and is computed at a rate of \$25 per day lost. Employees eligible for and exercising a retirement option in the Kansas Public Employees Retirement System (KPERs) are paid for all unused sick leave days. This payment is based on a rate of \$25 per day and is made with the final payment of the contract. Employees leaving the District that do not qualify as described above do not receive any compensation for unused sick leave.

Sick leave days may be converted to personal leave after all paid personal leave has been exhausted. The rate of conversion is three sick leave days to one personal leave day. The draw on sick leave is on an "as used" basis; the employee may not accumulate any unused personal days using the benefit feature. A maximum of five personal leave days may be gained annually using this conversion. Sick leave days used in this conversion are deducted from the staff person's accumulated sick leave.

Classified full-time staff, meeting length of service requirements, are allowed two weeks paid vacation, which is increased by three days after five years of employment and by an additional two days after 15 years of employment. Classified employees may accumulate up to five days of unused vacation over their annual allotment of vacation time. Certified staff are not granted paid vacation time, with the exception of one administrative position.

Non-administrative certified and classified staff are granted compensated absences in the form of personal leave days. They are allowed two days per year, which can accumulate to six days. Amounts accumulated in excess of the maximum, that would otherwise be lost, are paid with the first paycheck of the succeeding year's contract at the employee's daily rate of pay. Upon retirement, the District purchases any unused personal days for employees, at the employees final daily rate of pay.

Payment for the entire amount of unused sick leave and unused personal leave upon leaving employment is granted for employees eligible for and exercising a retirement option in the Kansas Public Employees Retirement System and for employees whose positions are being eliminated by the District. Payment for unused vacation upon voluntarily leaving employment may be considered with the permission of the Superintendent if the employee voluntarily leaving employment assists in the transition process.

Administrative staff are granted compensated absences in the form of personal leave subject to Superintendent approval. However, for these staff, there is no accumulation of personal leave allowed from one year to the next year, and there is no payment for personal leave that would be lost at the end of a year, upon other voluntary or non-voluntary termination of employment.

7. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2022, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Refunding Series 2013	2.00% - 3.25%	05-17-13	\$ 5,945,000	09-01-28	\$ 4,735,000	\$ -	\$ 480,000	\$ 4,255,000	\$ 114,638

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Year						
	2023	2024	2025	2026	2027	2028-2032	Total
Principal:							
General Obligation Bonds:							
Refunding Series 2013	\$ 505,000	\$ 535,000	\$ 565,000	\$ 600,000	\$ 635,000	\$ 1,415,000	\$ 4,255,000
Interest:							
General Obligation Bonds:							
Refunding Series 2013	104,787	93,719	80,991	66,781	50,947	45,356	442,581
Total Principal and Interest	\$ 609,787	\$ 628,719	\$ 645,991	\$ 666,781	\$ 685,947	\$ 1,460,356	\$ 4,697,581

8. 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 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 1.00% contribution rate for the Death and Disability Program) was 15.59% and 14.23%, respectively, for the fiscal year ended June 30, 2021. The actuarially determined employer contribution rate and the statutory contribution rate was 14.83% and 13.33%, respectively, for the fiscal year ended June 30, 2022.

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

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

The State of Kansas is required to contribute the statutory required employer's share, except for retired District employees. The District is responsible for the employers portion of the cost of retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$538,415 for the year ended June 30, 2022.

8. DEFINED BENEFIT PENSION PLAN (cont.)

Net Pension Liability: At June 30, 2022, the District's proportionate share of the collective net pension liability reported by KPERS was \$4,279,225. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The 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, 2021. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

9. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that any disallowed expenditures or overpayments, if any, will not have a material effect on the individual governmental funds or the overall financial position of the District.

During the ordinary course of its operation, the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material impact on the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2021 to 2022, and there were no settlements that exceeded insurance coverage in the past three years.

10. INTERLOCAL AGREEMENT

The District entered into an interlocal agreement with Tabor College in January 2008 for the acquisition, construction, financing, ownership and operation of athletic facilities. The agreement is for a period of 40 years from the effective date unless terminated early. The agreement, among other things, provides for the sharing of expenses for the facility.

11. COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2022. Future potential impacts may include a decrease in certain revenues, reduced customer traffic and the temporary closure of operating hours of our offices.

12. CRF AND CARES ACT FUNDING

The CARES Act also included Elementary and Secondary School Emergency Relief (ESSER) Funds for K-12 schools. The ESSER grants will provide school districts with emergency relief funds to address the impact COVID-19 has had on elementary and secondary schools. It is being allocated to the Districts in three phases, ESSER I, II, and III. The ESSER I under the Cares Act began in March 2020, the ESSER II under the CRRSA Act began in December 2020, and the ESSER III under the ARP Act began in March 2021. The District was allocated \$59,791 for ESSER I, \$254,615 for ESSER II, and \$572,232 for ESSER III. As of June 30, 2022 the District spent all of ESSER I, \$73,031 of ESSER II, and \$0 of ESSER III.

13. SUBSEQUENT EVENTS

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

**UNIFIED SCHOOL DISTRICT NUMBER 410
HILLSBORO, KANSAS**

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

FISCAL YEAR ENDED JUNE 30, 2022

Unified School District Number 410
Hillsboro, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis
(Budgeted Funds Only)

For the Year Ended June 30, 2022

	Certified Budget	Adjustments 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 Fund	\$ 5,233,188	\$ (89,802)	\$ -	\$ 5,143,386	\$ 5,143,386	\$ -
Supplemental General Fund	1,710,448	(23,615)	-	1,686,833	1,686,833	-
SPECIAL PURPOSE FUNDS:						
At Risk (4 Yr Old) Fund	219,095	-	-	219,095	217,945	(1,150)
At Risk (K-12) Fund	410,311	-	-	410,311	406,166	(4,145)
Bilingual Education Fund	12,250	-	-	12,250	11,307	(943)
Virtual Education Fund	50,000	-	-	50,000	32,084	(17,916)
Capital Outlay Fund	1,267,129	-	-	1,267,129	818,901	(448,228)
Driver Training Fund	10,000	-	-	10,000	8,756	(1,244)
Food Service Fund	415,000	-	-	415,000	321,085	(93,915)
Professional Development Fund	27,120	-	-	27,120	23,366	(3,754)
Parent Education Fund	170,000	-	-	170,000	159,319	(10,681)
Special Education Fund	1,523,339	-	-	1,523,339	1,367,824	(155,515)
Career and Postsecondary Education Fund	451,877	-	-	451,877	447,966	(3,911)
KPERS Special Retirement Contribution Fund	622,968	-	-	622,968	538,415	(84,553)
BOND AND INTEREST FUND:						
Bond and Interest Fund	595,138	-	-	595,138	594,638	(500)
Total	\$ 12,717,863	\$ (113,417)	\$ -	\$ 12,604,446	\$ 11,777,991	\$ (826,455)

Unified School District Number 410

Hillsboro, Kansas

GENERAL FUND**GENERAL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET****Regulatory Basis**

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021	Actual	Budget	Variance
	Actual			Over
				(Under)
Receipts:				
State aid	\$ 4,374,604	\$ 4,347,220	\$ 4,326,824	\$ 20,396
Mineral production tax	126	423	-	423
Special education aid	860,557	795,743	906,364	(110,621)
Total Receipts	5,235,287	5,143,386	\$ 5,233,188	\$ (89,802)
Expenditures:				
Instruction -				
Certified salaries	1,711,783	1,610,768	\$ 1,623,849	\$ (13,081)
Non-certified salaries	31,783	22,841	23,400	(559)
Insurance	176,927	167,341	178,050	(10,709)
Social security	126,481	118,212	125,550	(7,338)
Other benefits	12,414	8,673	11,168	(2,495)
Purchased professional services	10,183	11,490	4,200	7,290
Purchased property services	1,525	2,623	3,375	(752)
Other purchased services	13,734	9,675	9,495	180
Teaching supplies	25,508	29,577	33,315	(3,738)
Textbooks	44,109	-	-	-
Property and equipment	1,637	2,405	475	1,930
Other	(1,527)	(11,900)	-	(11,900)
Student Support Services -				
Certified salaries	53,534	109,872	109,500	372
Non-certified salaries	68,692	19,368	19,125	243
Insurance	10,675	11,304	11,304	-
Social security	9,061	9,767	9,800	(33)
Other benefits	607	520	560	(40)
Purchased professional services	730	800	850	(50)
Other purchased services	10,511	10,853	10,853	-
Supplies	1,686	1,534	1,810	(276)
Property and equipment	242	297	-	297
Instruction Support Staff -				
Certified salaries	53,368	55,078	55,500	(422)
Non-certified salaries	110,393	116,941	119,500	(2,559)
Insurance	39,543	42,627	41,448	1,179
Social security	11,294	11,985	13,250	(1,265)
Other benefits	608	669	710	(41)
Purchased professional services	7,573	7,428	7,450	(22)
Supplies	5,975	5,723	6,125	(402)
Property and equipment	1,229	99	-	99

Unified School District Number 410
Hillsboro, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Expenditures (cont.):				
General Administration -				
Certified salaries	\$ 106,064	\$ 115,037	\$ 107,764	\$ 7,273
Non-certified salaries	34,992	36,379	37,000	(621)
Insurance	23,447	24,606	24,606	-
Social security	10,254	11,054	11,000	54
Other employee benefits	530	608	625	(17)
Purchased professional services	244	5,575	15,500	(9,925)
Purchased property services	14,360	12,250	-	12,250
Other purchased services	6,300	6,442	8,500	(2,058)
Supplies	43	-	3,825	(3,825)
Property and equipment	7,091	5,316	500	4,816
Other	12,349	11,113	8,450	2,663
School Administration -				
Certified salaries	220,761	226,019	228,168	(2,149)
Non-certified salaries	84,518	87,473	93,000	(5,527)
Insurance	77,139	81,231	82,434	(1,203)
Social security	21,355	22,524	24,300	(1,776)
Other employee benefits	17,265	16,918	16,735	183
Other purchased services	1,815	1,761	1,825	(64)
Supplies	1,271	2,738	2,550	188
Operations and Maintenance -				
Non-certified salaries	257,306	253,999	283,500	(29,501)
Insurance	58,647	61,973	61,416	557
Social security	18,864	18,694	21,275	(2,581)
Other employee benefits	5,778	5,320	7,405	(2,085)
Purchased professional services	1,011	825	1,500	(675)
Repair of buildings	11,266	11,595	16,500	(4,905)
Other purchased services	4,526	5,132	6,645	(1,513)
Supplies	42,269	41,393	51,000	(9,607)
Motor fuel	1,448	6,292	3,450	2,842
Property and equipment	442	1,879	-	1,879
Other	872	778	1,875	(1,097)
Vehicle Operating Services -				
Non-certified salaries	74,234	94,121	90,000	4,121
Insurance	30,526	30,123	39,001	(8,878)
Social Security	5,475	6,899	6,875	24
Other employee benefits	3,313	2,595	2,875	(280)
Motor fuel	36,183	52,299	52,865	(566)
Property and equipment	100	250	500	(250)

Unified School District Number 410

Hillsboro, Kansas

GENERAL FUND**GENERAL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET****Regulatory Basis**

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Expenditures (cont.):				
Student Transportation Services - Supervision -				
Non-certified salaries	\$ 26,413	\$ 27,253	\$ 28,000	\$ (747)
Insurance	5,702	6,048	6,048	-
Social Security	1,965	2,054	2,100	(46)
Other	907	751	900	(149)
Supplies	3,960	4,864	4,100	764
Property and equipment	4	228	-	228
Vehicle & Maintenance Services -				
Non-certified salaries	10,547	6,725	12,500	(5,775)
Insurance	6,534	2,965	7,560	(4,595)
Social Security	675	674	950	(276)
Other employee benefits	291	-	385	(385)
Purchased property services	15,882	27,699	24,000	3,699
Supplies	7,623	2,270	7,500	(5,230)
Property and equipment	-	130	500	(370)
Other Supplemental Services -				
Non-certified salaries	102,381	110,231	108,000	2,231
Insurance	23,354	24,606	24,606	-
Social Security	7,414	7,979	8,100	(121)
Other employee benefits	382	438	450	(12)
Purchased professional services	1,967	12,002	5,500	6,502
Other purchased services	12,468	14,702	15,475	(773)
Supplies	-	-	250	(250)
Outgoing Transfers -				
At Risk (K-12)	-	305,462	284,657	20,805
Special Education Fund	1,204,450	916,440	907,481	8,959
Virtual Education Fund	70,032	32,084	50,000	(17,916)
Adjustment to comply with legal max	-	-	(89,802)	89,802
Total Expenditures	<u>5,235,287</u>	<u>5,143,386</u>	<u>\$ 5,143,386</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

Unified School District Number 410
Hillsboro, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	\$ 723,922	\$ 836,677	\$ 773,802	\$ 62,875
Delinquent tax	2,614	9,565	13,416	(3,851)
Motor vehicle tax	86,675	78,899	76,917	1,982
Recreational vehicle tax	1,332	1,488	1,197	291
Commercial vehicle tax	7,379	6,819	7,588	(769)
Watercraft tax	-	-	-	-
Supplemental state aid	810,094	798,378	809,555	(11,177)
Total Receipts	<u>1,632,016</u>	<u>1,731,826</u>	<u>\$ 1,682,475</u>	<u>\$ 49,351</u>
Expenditures:				
Instruction -				
Non-certified salaries	12,002	14,248	\$ 12,000	\$ 2,248
Social Security	834	975	900	75
Other employee benefits	58	63	45	18
Purchased professional services	49,722	54,980	5,375	49,605
Purchased property services	43,285	43,409	79,835	(36,426)
Other purchased services	68,653	46,494	14,760	31,734
Supplies	49,713	110,777	148,625	(37,848)
Property and equipment	10,870	10,087	9,775	312
Other	(37,326)	(61,649)	-	(61,649)
Student Support Services -				
Other purchased services	2,076	1,820	2,200	(380)
Instruction Support Staff -				
Purchased professional services	600	1,098	1,000	98
General Administration -				
Purchased professional services	2,100	2,300	2,300	-
Other purchased services	18,114	19,820	18,200	1,620
School Administration -				
Purchased professional services	240	463	500	(37)
Property and equipment	3,665	3,409	2,150	1,259
Central Services -				
Other purchased services	175	790	900	(110)
Operations and Maintenance -				
Water and sewer	13,203	14,663	13,600	1,063
Cleaning	7,885	8,039	8,200	(161)
Insurance	65,520	71,446	77,199	(5,753)

Unified School District Number 410
Hillsboro, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Expenditures (cont.):				
Operations and Maintenance (cont.) -				
Heating	\$ 31,203	\$ 55,230	\$ 45,000	\$ 10,230
Electricity	132,582	162,885	145,000	17,885
Community Service Operations	3,500	3,500	3,500	-
Outgoing Transfers -				
Food Service Fund	-	-	25,000	(25,000)
Professional Development Fund	13,818	20,496	24,520	(4,024)
Parent Education Fund	17,077	17,697	17,697	-
Special Education Fund	346,934	468,701	413,291	55,410
Career and Postsecondary Education Fund	394,208	447,966	451,877	(3,911)
At Risk (4 Yr Old) Fund	125,453	55,115	49,095	6,020
At Risk (K-12) Fund	331,152	100,704	125,654	(24,950)
Bilingual Education Fund	7,894	11,307	12,250	(943)
Adjustment to comply with legal max	-	-	(23,615)	23,615
Total Expenditures	<u>1,715,210</u>	<u>1,686,833</u>	<u>\$ 1,686,833</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(83,194)	44,993		
Unencumbered Cash, Beginning	<u>111,167</u>	<u>27,973</u>		
Unencumbered Cash, Ending	<u>\$ 27,973</u>	<u>\$ 72,966</u>		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

AT RISK (4 YR OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Other local source revenue	\$ 24,035	\$ 48,126	\$ 170,000	\$ (121,874)
Aid from McPherson USD 418	126,511	114,704	-	114,704
Transfer from Supplemental General Fund	125,453	55,115	49,095	6,020
Total Receipts	275,999	217,945	\$ 219,095	\$ (1,150)
Expenditures:				
Instruction -				
Certified salaries	102,042	107,253	\$ 116,250	\$ (8,997)
Non-certified salaries	67,948	70,135	63,375	6,760
Insurance	29,649	22,014	22,545	(531)
Social Security	12,068	13,508	12,855	653
Other employee benefits	636	726	670	56
Supplies	2,601	3,380	2,400	980
Property and equipment	1,055	929	1,000	(71)
Total Expenditures	215,999	217,945	\$ 219,095	\$ (1,150)
Receipts Over (Under) Expenditures	60,000	-		
Unencumbered Cash, Beginning	50,000	110,000		
Unencumbered Cash, Ending	\$ 110,000	\$ 110,000		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

AT RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
Transfer from General Fund	\$ -	\$ 305,462	\$ 125,654	\$ 179,808
Transfer from Supplemental General Fund	<u>331,152</u>	<u>100,704</u>	<u>284,657</u>	<u>(183,953)</u>
Total Receipts	<u>331,152</u>	<u>406,166</u>	<u>\$ 410,311</u>	<u>\$ (4,145)</u>
Expenditures:				
Instruction -				
Certified salaries	212,920	300,346	\$ 299,925	\$ 421
Non-certified salaries	61,655	37,204	40,575	(3,371)
Insurance	34,251	39,113	40,714	(1,601)
Social Security	19,178	24,398	24,179	219
Other employee benefits	1,025	3,590	1,290	2,300
Supplies	1,032	645	1,750	(1,105)
Student Support Services -				
ES Counseling Services	<u>1,091</u>	<u>870</u>	<u>1,878</u>	<u>(1,008)</u>
Total Expenditures	<u>331,152</u>	<u>406,166</u>	<u>\$ 410,311</u>	<u>\$ (4,145)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>190,000</u>	<u>190,000</u>		
Unencumbered Cash, Ending	<u>\$ 190,000</u>	<u>\$ 190,000</u>		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
Transfer from Supplemental General Fund	\$ 7,894	\$ 11,307	\$ 12,250	\$ (943)
Expenditures:				
Instruction -				
Certified salaries	6,619	7,882	\$ 8,750	\$ (868)
Non-certified salaries	-	1,040	-	1,040
Insurance	782	1,238	750	488
Social Security	472	683	1,500	(817)
Other employee benefits	21	34	750	(716)
Supplies	-	430	500	(70)
Total Expenditures	7,894	11,307	\$ 12,250	\$ (943)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
Transfer from General Fund	\$ 70,032	\$ 32,084	<u>\$ 50,000</u>	<u>\$ (17,916)</u>
Expenditures:				
Instruction -				
Other purchased services	<u>70,032</u>	<u>32,084</u>	<u>\$ 50,000</u>	<u>\$ (17,916)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021	Actual	Budget	Variance
	Actual			Over
				(Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	\$ 322,014	\$ 342,879	\$ 327,192	\$ 15,687
Delinquent tax	923	3,851	5,990	(2,139)
Motor vehicle tax	34,549	32,384	31,646	738
Recreational vehicle tax	531	609	493	116
Commercial vehicle tax	2,925	3,021	3,122	(101)
Interest on idle funds	4,106	9,357	2,000	7,357
Capital outlay state aid	118,104	135,484	137,375	(1,891)
Miscellaneous reimbursements	47,694	96,062	55,000	41,062
Total Receipts	<u>530,846</u>	<u>623,647</u>	<u>\$ 562,818</u>	<u>\$ 60,829</u>
Expenditures:				
Instruction -				
Property and equipment	198,278	173,126	\$ 520,400	\$ (347,274)
Student Support Services -				
Property and equipment	1,240	-	-	-
Instructional Support Staff -				
Property and equipment	1,240	3,024	7,000	(3,976)
School Administration -				
Property and equipment	639	155	-	155
Operations and Maintenance -				
Repairs and maintenance	26,326	55,191	29,329	25,862
Property and equipment	22,646	40,619	207,400	(166,781)
Transportation -				
Property and equipment	140,425	224,091	161,000	63,091
Food Service -				
Property and equipment	15,734	105,530	-	105,530
Facility Acquisition and Construction Services -				
Land improvement	-	108,379	50,000	58,379
Building improvements	49,825	94,089	240,000	(145,911)
Other Support Services -				
Property and equipment	-	7,920	52,000	(44,080)
Building Improvements -	325	6,777	-	6,777
Total Expenditures	<u>456,678</u>	<u>818,901</u>	<u>\$ 1,267,129</u>	<u>\$ (448,228)</u>
Receipts Over (Under) Expenditures	74,168	(195,254)		
Unencumbered Cash, Beginning	<u>942,503</u>	<u>1,016,671</u>		
Unencumbered Cash, Ending	<u>\$ 1,016,671</u>	<u>\$ 821,417</u>		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
State aid	\$ 1,632	\$ 3,782	\$ 3,720	\$ 62
Other local source revenue	7,895	6,130	8,000	(1,870)
Total Receipts	9,527	9,912	\$ 11,720	\$ (1,808)
Expenditures:				
Instruction -				
Certified salaries	6,975	6,318	\$ 7,254	\$ (936)
Social Security	509	461	541	(80)
Other employee benefits	26	26	30	(4)
Purchased professional services	-	259	-	259
Other purchased services	1,745	1,648	1,900	(252)
Supplies	40	44	250	(206)
Instructional Support Staff -				
Other purchased services	-	-	25	(25)
Total Expenditures	9,295	8,756	\$ 10,000	\$ (1,244)
Receipts Over (Under) Expenditures	232	1,156		
Unencumbered Cash, Beginning	5,362	5,594		
Unencumbered Cash, Ending	\$ 5,594	\$ 6,750		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		Variance
	2021			Over
	Actual	Actual	Budget	(Under)
Receipts:				
State aid	\$ 7,123	\$ 2,976	\$ 2,600	\$ 376
Federal aid	-	15,845	-	15,845
Student sales	5,326	62	-	62
Adult sales	5,534	6,777	28,000	(21,223)
Child and adult care food programs	275,608	349,346	355,500	(6,154)
Miscellaneous revenue	5,000	-	1,250	(1,250)
Interest on idle funds	27	158	-	158
Transfer from Supplemental General Fund	-	-	25,000	(25,000)
Total Receipts	<u>298,618</u>	<u>375,164</u>	<u>\$ 412,350</u>	<u>\$ (37,186)</u>
Expenditures:				
Food Service Operation -				
Non-certified salaries	-	572	\$ -	\$ 572
Social Security	-	39	-	39
Other employee benefits	-	2	-	2
Other purchased services	294,398	315,913	337,500	(21,587)
Supplies	3,887	2,641	2,500	141
Property and equipment	-	1,918	75,000	(73,082)
Total Expenditures	<u>298,285</u>	<u>321,085</u>	<u>\$ 415,000</u>	<u>\$ (93,915)</u>
Receipts Over (Under) Expenditures	333	54,079		
Unencumbered Cash, Beginning	<u>40,000</u>	<u>40,333</u>		
Unencumbered Cash, Ending	<u>\$ 40,333</u>	<u>\$ 94,412</u>		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
State aid	\$ 4,212	\$ -	\$ -	\$ -
Federal aid	816	2,870	2,600	270
Transfer from Supplemental General Fund	13,818	20,496	24,520	(4,024)
Total Receipts	18,846	23,366	\$ 27,120	\$ (3,754)
Expenditures:				
Instructional Support Staff -				
Certified salaries	8,727	9,700	\$ 12,550	\$ (2,850)
Non-certified salaries	50	-	250	(250)
Social Security	649	739	945	(206)
Other employee benefits	34	39	70	(31)
Purchased professional services	5,957	2,627	2,965	(338)
Other purchased services	3,429	10,152	10,340	(188)
Supplies	-	109	-	109
Total Expenditures	18,846	23,366	\$ 27,120	\$ (3,754)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	20,000	20,000		
Unencumbered Cash, Ending	\$ 20,000	\$ 20,000		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	2021 Actual	2022		Variance Over (Under)
		Actual	Budget	
Receipts:				
State aid	\$ 93,854	\$ 93,677	\$ 93,677	\$ -
Payment from other school districts	35,923	35,303	35,303	-
Donations	4,243	4,201	4,201	-
Miscellaneous	2,086	5,739	2,000	3,739
Transfer from Supplemental General Fund	17,077	17,697	17,697	-
Total Receipts	153,183	156,617	\$ 152,878	\$ 3,739
Expenditures:				
Student Support Services -				
Non-certified salaries	99,356	106,037	\$ 107,000	\$ (963)
Insurance	27,782	25,614	29,952	(4,338)
Social Security	7,264	7,765	8,142	(377)
Other employee benefits	374	428	469	(41)
Purchased professional services	-	162	-	162
Purchased property services	3,218	3,778	3,420	358
Other purchased services	499	499	12,267	(11,768)
Supplies	6,781	7,284	-	7,284
Other	1,557	4,795	6,200	(1,405)
Instruction Support Staff -				
Supplies	337	517	-	517
Other Supplemental Services -				
Purchased professional services	3,390	2,170	2,550	(380)
Other purchased services	-	270	-	270
Total Expenditures	150,558	159,319	\$ 170,000	\$ (10,681)
Receipts Over (Under) Expenditures	2,625	(2,702)		
Unencumbered Cash, Beginning	32,864	35,489		
Unencumbered Cash, Ending	<u>\$ 35,489</u>	<u>\$ 32,787</u>		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
Federal aid	\$ 9,318	\$ 2,828	\$ 51,281	\$ (48,453)
Transfer from General Fund	1,204,450	916,440	907,481	8,959
Transfer from Supplemental General Fund	346,934	468,701	413,291	55,410
Total Receipts	<u>1,560,702</u>	<u>1,387,969</u>	<u>\$ 1,372,053</u>	<u>\$ 15,916</u>
Expenditures:				
Instruction -				
Payment to Special Education	1,391,992	1,350,217	\$ 1,501,339	\$ (151,122)
Vehicle Operating Services -				
Non-certified salaries	10,110	9,531	13,350	(3,819)
Insurance	3,177	-	-	-
Social Security	724	729	1,025	(296)
Other employee benefits	582	262	435	(173)
Mileage in lieu of transportation	782	2,428	2,190	238
Motor fuel	4,307	3,578	4,000	(422)
Vehicle Service and Maintenance -				
Purchased Property Services	1,097	1,079	1,000	79
Total Expenditures	<u>1,412,771</u>	<u>1,367,824</u>	<u>\$ 1,523,339</u>	<u>\$ (155,515)</u>
Receipts Over (Under) Expenditures	147,931	20,145		
Unencumbered Cash, Beginning	<u>466,916</u>	<u>614,847</u>		
Unencumbered Cash, Ending	<u>\$ 614,847</u>	<u>\$ 634,992</u>		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
Federal aid	\$ 1,337	\$ -	\$ -	\$ -
Transfer from Supplemental General Fund	394,208	447,966	451,877	(3,911)
Total Receipts	395,545	447,966	\$ 451,877	\$ (3,911)
Expenditures:				
Instruction -				
Certified salaries	310,777	333,647	\$ 333,000	\$ 647
Insurance	39,095	42,599	42,517	82
Social Security	22,532	24,284	24,250	34
Other employee benefits	1,164	1,342	1,300	42
Other purchased services	-	22,190	-	22,190
Supplies	15,581	14,773	21,860	(7,087)
Property and equipment	6,076	9,131	28,950	(19,819)
District Reg & Travel	320	-	-	-
Total Expenditures	395,545	447,966	\$ 451,877	\$ (3,911)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	225,000	225,000		
Unencumbered Cash, Ending	\$ 225,000	\$ 225,000		

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	Over
				(Under)
Receipts:				
State aid	\$ 526,823	\$ 538,415	\$ 622,968	\$ (84,553)
Expenditures:				
Employee Benefits -				
Instruction	340,101	345,523	\$ 405,850	\$ (60,327)
Student Support Services	33,850	35,021	35,908	(887)
Instruction Support Staff	23,520	24,564	28,620	(4,056)
General Administration	28,946	30,307	22,061	8,246
School Administration	34,342	33,953	48,944	(14,991)
Other Support Services	16,211	16,906	16,459	447
Operations and Maintenance	34,969	34,306	43,204	(8,898)
Student Transportation Services	14,884	17,835	21,922	(4,087)
Total Expenditures	526,823	538,415	\$ 622,968	\$ (84,553)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

**Unified School District Number 410
Hillsboro, Kansas**

SPECIAL PURPOSE FUND

CHILDREN'S DENTAL CARE PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021 Actual</u>	<u>2022 Actual</u>
Receipts:		
Contributions and donations	\$ 5,000	\$ 10,000
Expenditures:		
Student Support Services -		
Purchased professional services	<u>3,323</u>	<u>2,257</u>
Receipts Over (Under) Expenditures	1,677	7,743
Unencumbered Cash, Beginning	<u>13,126</u>	<u>14,803</u>
Unencumbered Cash, Ending	<u>\$ 14,803</u>	<u>\$ 22,546</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

FARM TO SCHOOL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Contributions and donations	\$ 15,000	\$ -
Expenditures:		
Instruction -		
Supplies	<u>93</u>	<u>55</u>
Receipts Over (Under) Expenditures	14,907	(55)
Unencumbered Cash, Beginning	<u>2,328</u>	<u>17,235</u>
Unencumbered Cash, Ending	<u>\$ 17,235</u>	<u>\$ 17,180</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

GIFTS AND GRANTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Contributions and donations	\$ 94,700	\$ 93,630
Expenditures:		
Instruction -		
Purchased professional services	-	399
Supplies	929	1,466
Property and equipment	3,368	-
Transfer to Comm Foundation	1,245	-
Student Support Services -		
Purchased professional services	4,243	4,201
Purchased property services	65	-
School Administration -		
Supplies	327	-
Vehicle Operating Services -		
Supplies	-	51
Architectual and engineer sevicees	-	14,647
Building and improvements	-	164,216
Other Support Services -		
Supplies	-	500
Total Expenditures	<u>10,177</u>	<u>185,480</u>
Receipts Over (Under) Expenditures	84,523	(91,850)
Unencumbered Cash, Beginning	<u>99,771</u>	<u>184,294</u>
Unencumbered Cash, Ending	<u>\$ 184,294</u>	<u>\$ 92,444</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

HES FUNDRAISING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Donations	\$ 918	\$ 1,898
Expenditures:		
Instruction -		
Purchased professional services	-	734
Supplies	364	1,411
Property and equipment	1,219	-
Instruction Support Staff -		
Supplies	975	737
Student Support Services -		
Equipment	-	1,750
School Administration -		
Purchased professional services	-	240
Supplies	863	775
Total Expenditures	<u>3,421</u>	<u>5,647</u>
Receipts Over (Under) Expenditures	(2,503)	(3,749)
Unencumbered Cash, Beginning	<u>11,432</u>	<u>8,929</u>
Unencumbered Cash, Ending	<u>\$ 8,929</u>	<u>\$ 5,180</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

HMS FUNDRAISING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Donations	\$ 1,754	\$ 7,553
Expenditures:		
Instruction -		
Supplies	2,648	1,796
Purchased professional services	822	325
School Administration -		
Supplies	-	4,363
Total Expenditures	<u>3,470</u>	<u>6,484</u>
Receipts Over (Under) Expenditures	(1,716)	1,069
Unencumbered Cash, Beginning	<u>2,831</u>	<u>1,115</u>
Unencumbered Cash, Ending	<u>\$ 1,115</u>	<u>\$ 2,184</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

HHS FUNDRAISING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Donations	\$ -	\$ 1,872
Expenditures:		
Instruction -		
Other	200	200
School Administration -		
Supplies	-	132
Total Expenditures	<u>200</u>	<u>332</u>
Receipts Over (Under) Expenditures	(200)	1,540
Unencumbered Cash, Beginning	<u>3,004</u>	<u>2,804</u>
Unencumbered Cash, Ending	<u>\$ 2,804</u>	<u>\$ 4,344</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 75,916	\$ 74,898
Expenditures:		
Instruction -		
Certified salaries	47,015	44,420
Non-certified salaries	14,657	16,467
Insurance	10,728	8,700
Social Security	3,299	4,568
Other employee benefits	217	249
Supplies	-	494
	<u>75,916</u>	<u>74,898</u>
Total Expenditures	<u>75,916</u>	<u>74,898</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

TITLE II-A FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 14,592	\$ 13,600
Expenditures:		
Instruction -		
Certified salaries	11,997	12,586
Insurance	1,817	-
Social Security	734	963
Other employee benefits	44	51
Total Expenditures	<u>14,592</u>	<u>13,600</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

TITLE IV-A FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 13,298	\$ 13,602
Expenditures:		
Instruction Support Staff -		
Counseling Services	<u>13,298</u>	<u>13,602</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

SPARK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 236,551	\$ -
Expenditures:		
Student Support Services -		
Other purchased services	3,160	-
Supplies	17,449	-
Property and equipment	27,125	-
Operations and Maintenance -		
Custodial Supplies	11,757	-
Property and equipment	38,160	-
Facility Acquisition and Construction Services -		
Building Improvements	138,900	-
Total Expenditures	<u>236,551</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

ESSER I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Federal aid	\$ 57,266	\$ 2,525
Expenditures:		
Instruction -		
Certified salaries	9,356	-
Non-certified salaries	1,980	-
Social security	866	-
Other benefits	47	-
Other purchased services	530	-
Supplies	202	-
Student Support Services -		
Certified salaries	325	-
Social security	25	-
Other benefits	1	-
Supplies	791	-
General Administration -		
Supplies	31	-
School Administration -		
Certified salaries	7,635	-
Social security	584	-
Other benefits	32	-
Operations and Maintenance -		
Supplies	19,998	-
Property and equipment	9,447	-
Vehicle Operating Services -		
Certified salaries	3,444	-
Social security	263	-
Other benefits	109	-
Vehicle & Maintenance Services -		
Supplies	144	-
Property and equipment	1,931	-
Facility Acquisition and Construction Services -		
Architect & Engineer Services	2,050	-
Total Expenditures	<u>59,791</u>	<u>-</u>
Receipts Over (Under) Expenditures	(2,525)	2,525
Unencumbered Cash, Beginning	<u>-</u>	<u>(2,525)</u>
Unencumbered Cash, Ending	<u>\$ (2,525)</u>	<u>\$ -</u>

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

ESSER II FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Federal aid	\$ -	\$ -
Expenditures:		
Instruction -		
Certified salaries	-	4,478
Non-certified salaries	-	37,194
Insurance	-	12,564
Social security	-	3,220
Supplies	-	2,253
Instruction Support Staff -		
Purchased professional services	-	5,786
Supplies	-	4,560
Operations and Maintenance -		
Supplies	-	2,976
Total Expenditures	-	73,031
Receipts Over (Under) Expenditures	-	(73,031)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ (73,031)

Unified School District Number 410
Hillsboro, Kansas

SPECIAL PURPOSE FUND

KDHE COVID TESTING GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Federal aid	\$ -	\$ 18,103
Expenditures:		
Student Support Services -		
Purchased professional services	-	32,641
Supplies	-	1,666
Central Services -		
Purchased professional services	-	510
Operations and Maintenance -		
Supplies	-	35
Total Expenditures	-	34,852
Receipts Over (Under) Expenditures	-	(16,749)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ (16,749)</u>

Unified School District Number 410
Hillsboro, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

		2022		
	2021			Variance
	Actual	Actual	Budget	2022
				(Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	\$ 637,088	\$ 612,721	\$ 583,292	\$ 29,429
Delinquent tax	1,296	6,708	11,897	(5,189)
Motor vehicle tax	59,283	57,976	56,858	1,118
Recreational vehicle tax	912	1,086	885	201
Commercial vehicle tax	4,984	5,947	5,609	338
State aid	207,948	225,962	225,962	-
Total Receipts	911,511	910,400	\$ 884,503	\$ 25,897
Expenditures:				
Interest	124,138	114,638	\$ 114,638	\$ -
Principal	470,000	480,000	480,000	-
Commission and postage	-	-	500	(500)
Total Expenditures	594,138	594,638	\$ 595,138	\$ (500)
Receipts Over (Under) Expenditures	317,373	315,762		
Unencumbered Cash, Beginning	1,382,281	1,699,654		
Unencumbered Cash, Ending	\$ 1,699,654	\$ 2,015,416		

Unified School District Number 410
Hillsboro, Kansas

TRUST FUND

GOOD CITIZEN SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Contributions	\$ 7,000	\$ 7,000
Expenditures:		
Outgoing Transfers -		
Scholarships awarded	<u>7,000</u>	<u>7,000</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Unified School District Number 410
Hillsboro, Kansas

TRUST FUND

C.M. SEXTRO MEMORIAL SCHOLARSHIP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2022

(With Comparative Actual Totals for the Prior Year Ended June 30, 2021)

	<u>2021</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Receipts:		
Donations	\$ 500	\$ 400
Expenditures:		
Scholarships awarded	<u>500</u>	<u>400</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Unified School District Number 410
Hillsboro, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended June 30, 2022

	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Student Organizations:				
High School:				
Class of 2022	\$ 524	\$ 246	\$ 770	\$ -
Class of 2023	861	7,183	7,308	736
Class of 2024	396	1,419	594	1,221
Class of 2025	-	368	212	156
FCCLA	891	-	-	891
FFA	12,895	27,655	28,740	11,810
H-Club	2,192	2,152	2,836	1,508
Student Council	2,840	1,341	1,116	3,065
Tech Student Association	4,550	2,929	2,182	5,297
	<hr/>	<hr/>	<hr/>	<hr/>
Total Student Organizations	25,149	43,293	43,758	24,684
State Sales Tax	87	8,326	8,318	95
Payroll Revolving	68,052	-	6,182	61,870
	<hr/>	<hr/>	<hr/>	<hr/>
Total Agency Funds	\$ 93,288	\$ 51,619	\$ 58,258	\$ 86,649
	<hr/>	<hr/>	<hr/>	<hr/>

Unified School District Number 410
Hillsboro, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended June 30, 2022

	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
Gate Receipts:						
Athletics-High School	\$ -	\$ 46,923	\$ 46,923	\$ -	\$ -	\$ -
 School Projects:						
High School	86,954	22,294	41,667	67,581	-	67,581
Middle School	7,597	14,281	13,485	8,393	-	8,393
Elementary School	6,135	14,793	17,473	3,455	-	3,455
 Total School Projects	100,686	51,368	72,625	79,429	-	79,429
 Total District Activity Funds	\$ 100,686	\$ 98,291	\$ 119,548	\$ 79,429	\$ -	\$ 79,429

UNIFIED SCHOOL DISTRICT NUMBER 410
COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE
RELATED TO THE AUDIT FOR THE
YEAR ENDED JUNE 30, 2022



520 S. Main Street
P.O. Box 7
Galva, KS 67443
620-654-7565
www.loyd-group.com

Board of Education
Unified School District Number 410
Hillsboro, Kansas 67063

We have audited the Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis (financial statement) of the Unified School District Number 410 (District) as of and for the year ended June 30, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated January 1, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statement that has been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide* (KMAAG). Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statement is free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Unified School District Number 410 solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit below in the section Communication of Other Control Deficiencies.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

We identified the potential threats to our independence as management participation and self-review over the assistance of financial statement preparation. As such, we have implemented the following safeguards:

1. A separate cold review of the financial statement done at the partner level and,
2. A formal letter of approval and review of the financial statement by management.

Significant Risks Identified

We have identified the following significant risks:

- The District's accounting practices and financial statement presentation are to be in conformity with the *Kansas Municipal Audit and Accounting Guide* (KMAAG), which is prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas. The audit objective is to issue an opinion about whether your financial statement is fairly presented, in all material respects, in conformity with KMAAG. As such, we identified the significant risk of the audit to be management override of controls over expenditures related to compliance with budgetary and cash basis laws.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statement. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statement prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimates of the liabilities related to pension and OPEB are based on the District's payroll records and the actuary reports. The estimates are not included on Statement 1, since the District reports on the regulatory basis of accounting as described in Note 1 to the financial statement. They are disclosed in the notes to the financial statement as required by the Kansas Municipal Audit and Accounting Guide. We evaluated the key factors and assumptions used to develop these estimates and determined that it is reasonable in relation to the basic financial statement taken as a whole and in relation to the applicable opinion unit.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statement taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. No such circumstances arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 5, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Modification of the Auditor's Report

We have made the following modifications to our auditor's report.

Adverse Opinion – We have issued an adverse opinion on the financial statement that it does not present fairly, in conformity with accounting principles generally accepted in the United States of America. As described 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.

Other Matter - We were engaged to report on the regulatory-required supplementary information (RRSI), which accompany the financial statement. With respect to the RRSI, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the statutory requirements pertaining to RRSI as prescribed by the Kansas Municipal Audit and Accounting Guide, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statement. We compared and reconciled the RRSI to the underlying accounting records used to prepare the financial statement or to the financial statement itself.

Communication of Other Control Deficiencies

In planning and performing our audit of the financial statement of the Unified School District Number 410, as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Unified School District Number 410's internal control over financial reporting (internal control) as a basis for designing our 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 Unified School District Number 410's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- Reasonably possible. The chance of the future event or events occurring is more than remote but less than likely.
- Probable. The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

PRIOR YEAR POINTS REVISITED

There were no prior year points.

CURRENT YEAR POINTS

There were no current year points.

SUMMARY

The matters discussed herein were considered during our examination of the financial statement as of June 30, 2022, and they do not modify the opinion expressed in our auditor's report dated October 5, 2022, on such financial statement.

We look forward to assisting the District in implementing the above suggestions. If you have any questions regarding comments included in this letter, please contact Scot Loyd (620) 654-7565 or Christina Henson at (620) 694-7881.

We greatly appreciate the assistance and helpfulness provided by the District during the recent audit. It is a pleasure working with individuals who respond to our questions and requests in a quick and efficient manner. If you have any questions or need us to stop by, please give us a call.

Board of Education
Unified School District Number 410
October 5, 2022
Page 5

RESTRICTION ON USE

This communication is intended solely for the information and use of the Board of Education and management of the Unified School District Number 410 and is not intended to be, and should not be, and should not be used by anyone other than these specified parties.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
October 5, 2022

UNIFIED SCHOOL DISTRICT NO. 410 Durham-Hillsboro-Lehigh
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MINUTES – REGULAR BOARD MEETING
USD 410 District Office Conference Room
September 12, 2022 7:00 p.m.

Members Present:

Jared Jost
Scott Winter

Rod Koons (arrived at 6:36 p.m.)

Jessey Hiebert

Sara Wichert (arrived at 6:32 p.m.)

Tim Kaufman

Member Absent:

Jim Paulus

Administrators:

Clint Corby

Others:

Jerry Hinerman, Clerk

A. Meeting Called to Order

Board President Jared Jost called the meeting to order at 6:30 p.m.

B. Approval of Regular and Consent Agenda

Jessey Hiebert moved to approve the regular and consent agendas. Motion seconded by Tim Kaufman. Carried 4-0.

Items on the consent agenda included the following:

1. Motion to approve the minutes of the August 8, 2022, regular board meeting
2. Motion to approve the following building and district level committees

Hillsboro Elementary School Site Council

Nathan Hiebert
Cheryl Duerksen
Lynette Hiebert
Bridgette Meliza
Mallory Shewey

Erin Beavers
Erica Haude
Ashley Kleiber
Debbie Oelke
Andrea Sneed

Vickie Brubacher
Brandi Hein
Dionne Loewen
Leah Remboldt
Amber Winter

Hillsboro Elementary School Building Leadership Team

Michelle Ediger
Aimee Hennigh

Autumn Hardey
Amanda Jaworsky

Collette Haslett
Ashley Sheridan

Hillsboro Middle/High School Site Council

Tyler Weinbrenner
Rachel Hein
Treena Lucero
Miranda Reed

Jana Dalke
Lynette Hiebert
Michele Melton
Amber Winter

Brandi Hein
Dionne Loewen
Debbie Oelke

Hillsboro Middle/High School Building Leadership Team

Tyler Weinbrenner
Tamara Cassidy

Robert Rempel
Jill Hein

Jessica Bowman
Adam North

District Site Council

All Hillsboro Elementary School Site Council and Hillsboro Middle/High School Site Council Members

District Leadership Team

Clint Corby	Nathan Hiebert	Tyler Weinbrenner
Robert Rempel	Karen Goossen	Keith Goossen
Autumn Hardey	Jill Hein	Jerry Hinerman
Brad Just		

District Technology Committee

Clint Corby	Tyler Weinbrenner	Robert Rempel
Sandy Arnold	Dennis Boldt	Tyler Clements
Heather Corby	Zach Denholm	Dylan Felpel
Elizabeth Hill	Jerry Hinerman	Brad Just
Lena Kleiner	Jim Paulus	Janet Whisenhunt

District Professional Development Committee

Clint Corby	Nathan Hiebert	Tyler Weinbrenner
Dustin Dalke	Emily Dalke	Michele Melton
Sonya Roberts		

District Athletic Operations Committee

Max Heinrichs	Robert Rempel	Jerry Hinerman
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District Wellness Committee

Clint Corby	Pati Funk	Jeff Haslett
Rebecca Kaufman	Sarah Werner	

3. Motion to approve the FFA National FFA Convention & Expo trip to Indianapolis, Indiana, from October 24, 2022, through October 29, 2022, the yearbook staff trip to St. Louis, Missouri, from November 10, 2022, through November 13, 2022, and the TSA 2023 National TSA Conference trip to Louisville, Kentucky, from June 28, 2023, through July 2, 2023
4. Motion to approve the following donations:
Donation of \$10,500.00 from St. Stephen's of Kansas Charitable Trust to be used for the Hillsboro High School GAP Program

Donation of \$7,100.00 from St. Stephen's of Kansas Charitable Trust to be used for the Hillsboro High School CTE Program

Donation of \$110.97 from Kroger to be used for Hillsboro Elementary School Site Council projects

Donation of \$100.00 from Ag Service to be used for the Hillsboro Elementary School Carnival

Donation of \$150.00 from Adam and Ashley Kleiber to be used for the Hillsboro Elementary School Carnival

Donation of \$31.63 from Jill Larson to be used for Hillsboro Elementary School Site Council projects

Donation of \$120.00 from Associated Wholesale Grocers to be used for Hillsboro Elementary School Site Council projects

Donation of \$50.00 from Families and Communities Together (FACT) to be used for Hillsboro Elementary School Preschool supplies

5. Motion to approve the addition of a Class of 2026 account to the USD 410 Activity Fund

Sara Wichert arrived at 6:32 p.m.

Rod Koons arrived at 6:36 p.m.

C. Exceeding the Revenue Neutral Rate Hearing and Exceeding the Revenue Neutral Rate Resolution

President Jared Jost declared the Board would enter into the exceeding the revenue neutral tax rate hearing as required by Kansas statutes. The Board invited those wishing to comment concerning exceeding the revenue neutral tax rate to speak.

Jared Jost moved to approve the following 2022 – 2023 Revenue Neutral Tax Rate Resolution by roll call vote and written vote. Motion seconded by Sara Wichert. Carried 6-0 by the roll call vote listed below the resolution and the written and signed vote included as an attachment to these minutes.

RESOLUTION

A resolution expressing the property taxation policy of USD 410 Durham – Hillsboro – Lehigh with respect to exceeding the Revenue Neutral Tax Rate for financing the annual budget for 2022 – 2023.

Whereas, 2022 HB 2239 amending K.S.A. 79-2988, provides that a levy of property taxes to finance the 2022 – 2023 budget of USD 410 exceeds the Revenue Neutral Tax Rate to finance the 2022 – 2023 budget of USD 410, be authorized by a resolution.

NOW, THEREFORE, BE IT RESOLVED by USD 410 that the 2022 – 2023 budget with a levy of property taxes exceeding the Revenue Neutral Tax Rates calculated for 2022 – 2023, as adjusted pursuant to 2022 HB 2239 amending K.S.A. 79-2988 is hereby adopted.

Adopted this 12th day of September, 2022, by USD 410 Durham – Hillsboro – Lehigh in Marion County, Kansas.

Resolution carried 6-0 by the following roll call vote:

Jared Jost voted yes to approve the resolution
Rod Koons voted yes to approve the resolution
Tim Kaufman voted yes to approve the resolution
Jessey Hiebert voted yes to approve the resolution
Sara Wichert voted yes to approve the resolution
Scott Winter voted yes to approve the resolution

President Jared Jost declared the exceeding the revenue neutral tax rate hearing closed.

D. 2022 – 2023 Budget Hearing

President Jared Jost declared the Board would enter into the annual budget hearing as required by Kansas statutes. The Board invited those wishing to comment concerning the proposed 2022 – 2023 budget to speak.

President Jared Jost declared the budget hearing closed.

E. Citizen's Open Forum

F. Action/Discussion Items

Jared Jost declared a seven-minute recess at 6:43 p.m. for the Board to travel to Hillsboro Elementary School for a facility tour.

1. Facility Tour

Jared Jost called the meeting to order at 6:50 p.m. at Hillsboro Elementary School

The Board toured Hillsboro Elementary School from 6:50 p.m. until 7:20 p.m.

Jared Jost declared a ten-minute recess for the Board to travel to Hillsboro Middle/High School for a facility tour.

Jared Jost called the meeting to order at 7:30 p.m.

The Board toured Hillsboro Middle/High School from 7:30 p.m. until 8:20 p.m.

Jared Jost declared a ten-minute recess for the Board to travel to the USD 410 District Office Conference Room.

Jared Jost called the meeting back to order at 8:30 p.m.

2. Local Option Budget Percentage Resolution

Rod Koons moved to approve the following 2022 – 2023 Local Option Budget Percentage Resolution. Motion seconded by Tim Kaufman. Carried 6-0.

RESOLUTION

Unified School District No. 410, Marion County, Kansas

Be It Resolved that:

The above-named school board shall be authorized to make a Local Option Budget Percentage in an amount of 33 percent for the 2022 – 2023 school year.

CERTIFICATE

THIS IS TO CERTIFY that the above Resolution was duly adopted by the Board of Education of Unified School District No. 410, Marion County, Kansas, on the 12th day of September, 2022.

3. Approval of the 2022 – 2023 Budget

Scott Winter moved to approve the 2022 – 2023 budget as published and shown below with consideration of the USD 410 needs assessment and state assessment information. Motion seconded by Sara Wichert. Carried 6-0.

The Amount of 2022 Tax to be Levied and Expenditures (published below) establish the maximum limits of the 2022-2023 Budget. The 'Est. Tax Rate' (column 7), shown for comparative purposes, is subject to slight change depending on final assessed valuation.								
		2020-2021 Actual		2021-2022 Actual		2022-2023 Proposed Budget		
	Code	Actual	Tax	Actual	Tax		Amount of	Est.
	99	Expenditures	Rate*	Expenditures	Rate*	Budgeted	2022 Tax to	Tax
	Line	(1)	(2)	(3)	(4)	(5)	be Levied	Rate*
OPERATING								
General	06	\$5,235,287	20.000	\$5,143,386	20.000	\$5,700,675	\$780,961	20.000
Supplemental General (LOB)	08	1,715,210	17.916	1,686,833	19.624	1,880,103	917,242	20.106
SPECIAL REVENUE								
Federal Funds	07	400,148		209,983		865,520		
Preschool-Aged At-Risk	11	215,999		217,945		233,374		
At Risk (K-12)	13	331,152		406,166		680,949		
Bilingual Education	14	7,894		11,307		10,153		
Virtual Education	15	70,032		32,084		67,200		
Capital Outlay	16	456,678	7.998	818,900	7.998	1,200,000	364,954	8.000
Driver Training	18	9,295		8,756		11,250		
Food Service	24	298,285		321,085		459,383		
Professional Development	26	18,845		23,366		26,664		
Parent Education Program	28	150,558		159,318		172,000		
Special Education	30	1,412,770		1,367,825		1,634,727		
Career and Postsecondary Education	34	395,545		447,966		470,663		
Gifts and Grants	35	28,184		207,656		236,428		
KPERS Special Retirement Contribution	51	526,823		538,415		578,796		
Activity Fund	56	38,802		47,582				
DEBT SERVICE								
Bond and Interest #1	62	594,138	15.888	594,638	14.185	610,288	625,316	13.707
TOTAL USD EXPENDITURES	100	\$11,905,645	61.802	\$12,243,211	61.807	\$14,838,173	\$2,688,473	61.813
Less: Transfers	105	2,511,018		2,375,972		2,900,975		
NET USD EXPENDITURES	110	\$9,394,627		\$9,867,239		\$11,937,198		
TOTAL USD TAXES LEVIED	115	\$2,573,424		\$2,652,360		\$2,688,473		
TOTAL TAXES LEVIED	125	\$2,573,424		\$2,652,360		\$2,688,473		
Assessed Valuation - General Fund	128	\$39,278,255		\$40,563,443		\$39,048,043		
Assessed Valuation - All Other Funds	130	\$42,921,744		\$44,190,241		\$45,619,219		
Assessed Valuation - Capital Outlay	129	\$42,190,613		\$43,435,381		\$45,619,219		
Outstanding Indebtedness, July 1		2020		2021		2022		
General Obligation Bonds	135	\$5,205,000		\$4,735,000		\$4,255,000		
TOTAL USD DEBT	155	\$5,205,000		\$4,735,000		\$4,255,000		

4. Facility Use Guidelines

Sara Wichert moved to approve the facility use guidelines as presented. Motion seconded by Rod Koons. Carried 6-0.

5. Kansas Department of Transportation/City of Hillsboro Resolution of Support
Rod Koons moved to approve the following Resolution of Support for a Kansas Department of Transportation Cost Share Program Application by the City of Hillsboro. Motion seconded by Tim Kaufman. Carried 6-0.

RESOLUTION OF SUPPORT

**For a Kansas Department of Transportation Cost Share Program Application
by the City of Hillsboro**

A RESOLUTION DECLARING THE SUPPORT FOR THE CITY OF HILLSBORO TO SUBMIT AN APPLICATION TO THE KANSAS DEPARTMENT OF TRANSPORTATION FOR USE OF COST SHARE PROGRAM FUNDS FOR THE ADAMS STREET IMPROVEMENTS – 1ST STREET TO B STREET PROJECT IN THE CITY OF HILLSBORO AND AUTHORIZING THE CHAIRMAN OF THE USD 410 HILLSBORO SCHOOL BOARD TO SIGN THIS RESOLUTION.

Whereas, the City of Hillsboro, Kansas, is submitting an application to the Kansas Department of Transportation for Cost Share Program funds for the Fall 2022 grant round; and

Whereas, USD 410 Hillsboro, is supporting, as an eligible Project Sponsor in the Kansas Department of Transportation's Cost Share Program; and

Whereas, State monies are available under a Cost Share Program, administered by the State of Kansas, Department of Transportation, for the purpose of creating and promoting the planning and development of active transportation facilities and programs in Kansas; and

Whereas, USD 410 - Hillsboro, acknowledges they will not be financially responsible for any required local match by supporting this project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF USD 410 – HILLSBORO:

SECTION 1. That the USD 410 - Hillsboro School Board, does hereby authorize the superintendent to submit a letter of support to the City of Hillsboro for their submission of an application to the Kansas Department of Transportation for Cost Share Program funds on behalf of the citizens of City of Hillsboro, Kansas.

SECTION 2. That the USD 410 - Hillsboro School Board, does grant the City of Hillsboro, access to USD 410 - Hillsboro property for the sole purpose of improvements in relation to this project, if necessary.

ADOPTED AND PASSED by the USD 410 Board of Education - Hillsboro, Kansas, this 12th day of September, 2022.

G. Executive Session – Personnel

Jared Jost moved for the Board to go into executive session at 9:22 p.m. with the Superintendent and the Clerk of the Board to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 9:35 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

The Superintendent and The Clerk of the Board left the executive session at 9:29 p.m. at the request of the Board.

Regular Session

Jared Jost moved for the Board to go into executive session at 9:35 p.m. to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 9:45 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

Regular Session

Jared Jost moved for the Board to go into executive session at 9:45 p.m. to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 9:55 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

The Superintendent joined the executive session at 9:49 p.m. at the request of the Board.

Regular Session

Jared Jost moved for the Board to go into executive session at 9:55 p.m. to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 10:00 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

Regular Session

Jared Jost moved for the Board to go into executive session at 10:00 p.m. to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 10:05 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

Regular Session

Jared Jost moved for the Board to go into executive session at 10:05 p.m. to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 10:10 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

Regular Session

Jared Jost moved for the Board to go into executive session at 10:10 p.m. to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 10:15 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

Regular Session

Jared Jost moved for the Board to go into executive session at 10:15 p.m. to discuss hires pursuant to the non-elected personnel exception under the Kansas Open Meetings Act (KOMA) and to return to open meeting at 10:20 p.m. in this room. The executive session is required to protect the privacy rights of identifiable individuals. Motion seconded by Tim Kaufman. Carried 6-0.

Regular Session

H. Personnel

Tim Kaufman moved to approve the following classified staff and supplemental contract actions.
Motion seconded by Sara Wichert. Carried 6-0.

1. Classified Staff

- a. OASIS Route Driver Terry Stubblefield
Hire for \$13.70 per hour for 2 hours per day for 173 days per year effective September 9, 2022.
- b. Hillsboro Elementary School Title I Aide Brenda Sechrist
Increase daily hours from 6.50 hours to 7.00 hours

Hillsboro Elementary School Classroom Aide Lauren Schoeneberg
Increase daily hours from 7.50 hours to 6.75 hours

Hillsboro Elementary School Preschool Aide Rustyn Kerbs
Increase daily hours from 8.00 hours to 7.50 hours
- c. Hillsboro Elementary School Custodian William Duffell
Hire for \$12.10 per hour for 8.00 hours per day for 253 days per year effective September 15, 2022
- d. Hillsboro Middle/High School Evening Custodian Lillian Vinduska
Hire for \$14.10 per hour for 8.00 hours per day for 253 days per year effective September 13, 2022

2. Supplemental Contracts

- a. High School Volleyball Assistant Coach Erin Carr (1.00 FTE)
Issue 1.00 FTE contract
- b. Middle School Volleyball Assistant Coach Tammy Smith (1.00 FTE)
Issue 1.00 FTE contract
- c. High School Musical Assistant Kathy Isaac (0.50 FTE)
Issue 0.50 FTE contract
- d. Freshman Class Sponsors Ciara Cox (0.50 FTE) and Joy Dalke (0.50 FTE)
Issue 0.50 FTE contracts
- e. GAP Club Sponsor Leah Rose (1.00 FTE) and Assistant GAP Club Sponsor Jill Hein (1.00 FTE)
Issue 1.00 FTE contracts

I. Reports

1. Superintendent
2. TEEN
3. MCSEC
4. Business Manager

Rod Koons moved to approve the payment of bills totaling \$920,091.45 and the following reports. Motion seconded by Jessey Hiebert. Carried 6-0.

USD 410 Activity Account Report

USD 410 Activity Account Bank Reconciliation

District Report of Transfers

District Cash Summary Report

District Accounts Bank Reconciliation, Bank Account Balance Report, and Securities Report

District Expense Budget Report

District Revenue Budget Report

J. Adjournment

President Jared Jost declared the meeting adjourned at 10:27 p.m.

Jerry Hinerman, Clerk

RESOLUTION

A resolution expressing the property taxation policy of USD 410 Durham-Hillsboro-Lehigh with respect to exceeding the Revenue Neutral Tax Rate for financing the annual budget for 2022-2023.

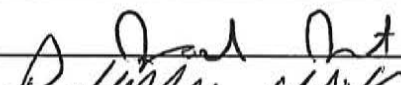
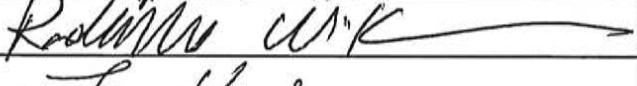

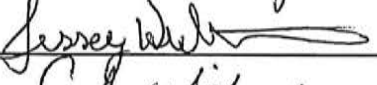
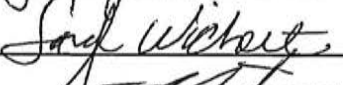

Whereas, 2022 HB 2239 amending K.S.A 79-2988, provides that a levy of property taxes to finance the 2022-2023 budget of USD 410 exceeds the Revenue Neutral Tax Rate to finance the 2022-2023 budget of USD 410, be authorized by a resolution.

NOW, THEREFORE, BE IT RESOLVED by USD 410 that the 2022-2023 budget with a levy of property taxes exceeding the Revenue Neutral Tax Rates calculated for 2022-2023, as adjusted pursuant to 2022 HB 2239 amending K.S.A 79-2988 is hereby adopted.

Adopted this 12th day of September, 2022 by USD 410 Durham-Hillsboro-Lehigh in Marion County, Kansas.

Board Clerk Signature 

Board President Signature 

Board Member Signature	Yes Vote	No Vote
	X	
	X	
	X	
	X	
	X	
	X	

INTERLOCAL COOPERATION AGREEMENT

RECITALS

This is an Interlocal cooperative agreement between unified school districts as authorized by K.S.A. 72-13,100, as amended, and subject to the provisions of K.S.A. 12-2901, et seq.

The following unified school districts, by and through their respective boards of education, have each adopted a resolution authorizing such school districts to enter into this agreement:

Unified School District No. 397, Marion County, Kansas
Unified School District No. 398, Marion County, Kansas
Unified School District No. 408, Marion County, Kansas
Unified School District No. 410, Marion County, Kansas
Unified School District No. 487, Dickinson County, Kansas

CREATION OF LEGAL ENTITY

We, the undersigned, do therefore hereby and herein formally join together to establish a separate legal entity to be known as the Technology Excellence in Education Network (TEEN).

PURPOSE

The purpose of TEEN shall be to maintain a distance learning network to provide-educational services to students and staff in each district, and any other services authorized by law or by the governing board.

BOARD OF DIRECTORS AND OFFICERS

There hereby is established a board of directors consisting of one member from the board of education of each unified school district which is signatory to this agreement. The board of directors shall be responsible for administering the joint or cooperative undertakings of TEEN.

Each board of education shall appoint its representative to the board of directors. The term of office of each member of the board of directors shall expire concurrently with his

or her term of office on the local board of education. Vacancies in the membership of the board of directors shall be filled within thirty days from the date of vacancy.

Said board of directors shall meet at such times and places as may be decided by said board, and said board shall elect from its members a chairperson and a vice-chairperson, who shall serve in the absence or incapacity of the chairperson.

Said board shall also designate three individuals, one to act as Executive Director of TEEN, one as clerk, and one as Treasurer and Fiscal Agent. The Executive Director, Clerk, and Treasurer may receive compensation and shall perform such duties as prescribed by the board.

Said board of directors shall adopt policies, rules, and regulations to implement this agreement including, but not necessarily limited to, procedures for financing the construction and operation of TEEN, acquisition of property, employment of personnel, addition of new member school districts, personnel policies and procedures, student policies and procedures, budget preparation and administration, disposition of property of TEEN upon complete termination of this agreement, and such other policies, rules and regulation as normally adopted by a board of education of a unified school district within the limitations imposed by K.S.A. 72-13,100, as amended.

ADVISORY COUNCIL

There shall be an Advisory Council, consisting of the Executive Director and the superintendents of each member school district, which shall serve in an advisory capacity to the board of directors to interpret and implement the personnel policies and practices established by the board of directors. All decisions of the Advisory Council shall be subject to approval by the board of directors.

METHOD OF FINANCING

The budget of TEEN shall be established by the board of directors on or before July 1 preceding the school year for which said budget is proposed.

Each unified school district which is a party to this agreement agrees to finance the operation of TEEN in the manner hereinafter specified. The funds required to operate TEEN shall be derived from fees charged by TEEN for contracted services provided to unified school districts and other educational institutions, districts and community organizations; funds received from grants and/or state and federal projects; and such other funds as are lawfully available to TEEN. In the event that the above fees and funds are insufficient to finance the operations of TEEN, then each unified school district which is a party to this agreement agrees that it will levy, subject to any statutory limitation, each year, an amount sufficient to pay its proportionate share of TEEN's budget as determined by the Board, should it be necessary to finance TEEN, in whole or in part, from property tax sources. If the amount the board of directors of TEEN determines a member unified school district should pay is in excess of the amount that the member unified school district can legally raise, the board of directors of TEEN shall immediately reduce the overall budget of TEEN to an amount which will not cause any member unified school district to be assessed an amount beyond its legal authority to raise.

ACQUISITION OF PROPERTY

All property both real and personal, acquired by TEEN shall become the equal property of the five districts. If for any reason this property should need to be sold, the proceeds will be paid into the treasurer of TEEN and may be expended in any lawful manner as directed by the Board of Directors of TEEN.

TERM OF AGREEMENT

The duration of this agreement shall be for a term no longer than five years, commencing July 1, 2023 and ending on June 30, 2028.

SPECIAL EDUCATION SERVICES

TEEN will not at any time offer special education services; and nothing in this agreement or any of the policies, rules or regulations adopted to implement this agreement shall be construed to require that TEEN provide special education services.

TERMINATION OF AGREEMENT AND DISPOSITION OF PROPERTY

At least six months prior to the termination date of this agreement, each participating school district shall send a letter of intent to the Executive Director stating whether it is the intent of said district to continue in TEEN upon the same or amended terms as those expressed therein, or whether it is the intent of the district to not continue in TEEN under any terms.

Upon receiving notice from a district of its intent to withdraw from TEEN, the Executive Director shall notify each of the other participating school districts of the notice to withdraw from TEEN. If two or more of the member school districts express the desire to renegotiate an agreement to continue TEEN, then TEEN shall not be disorganized, but shall be continued under a renegotiated agreement as prescribed in K.S.A.

72-13,100(d), as amended. In such event, all of the real and tangible personal property of TEEN shall be transferred to and become the sole property of TEEN as continued under the terms of the renegotiated agreement. The withdrawing school district or districts shall be entitled only to a proportionate share of the audited, unencumbered cash on hand in the treasury of TEEN as of the last day of the term of this agreement, based upon the proportionate percentage contributed by the withdrawing district or districts to TEEN. The districts that are no longer part of the Interlocal relinquish all rights to TEEN fiber. All of the fiber continues as the property of the remaining districts in the Interlocal.

If not more than two of the member school districts express the desire to renegotiate an agreement to continue TEEN, then TEEN shall be disorganized and the property of TEEN disposed of in the manner prescribed below.

If TEEN is to be disorganized, the Board of Directors of TEEN shall have the authority to distribute the property of TEEN to any participating school district or districts, or to sell the property and distribute the cash proceeds as herein provided. If a distribution of the property of TEEN cannot be agreed upon by at least three members of the Board of Directors, The Board of Directors shall sell the property of TEEN and deposit the proceeds thereof in the treasury of TEEN. The Board of Directors shall have the power to sell the complete length of fiber with all proceeds being equally distributed to the districts.

All monies in the treasury of TEEN at the time of disorganization of TEEN shall be distributed to each school district which has entered into this Agreement in the same proportion that the school district has contributed to the financing of TEEN.

INDEMNIFICATION

Each member school district shall be solely responsible for its actions or failure to act and shall not indemnify or hold harmless against damages, injury, or death resulting from the actions or failure to act on the part of any other school district that is a party to this contract.

MANDATORY PROVISIONS

In accordance with K.S.A. 72-1148 and amendments thereto, the mandatory contract provisions prescribed by the Kansas Department of Administration in form DA-146a, as amended, are hereby incorporated by reference.

MODIFICATION OF AGREEMENT

The unified school districts which are parties to this agreement hereby reserve the right to change or modify this agreement by a two-thirds vote of member districts.

APPROVALS AND CHANGE OR TERMINATION

This agreement shall be effective only upon approval by the attorney general and the state board of education. This agreement also shall be subject to change or termination by the legislature as provided by law.

CONTRACTUAL PROVISIONS ATTACHMENT

Important: This form contains mandatory contract provisions and must be attached to or incorporated in all copies of any contractual agreement. If it is attached to the vendor/contractor's standard contract form, then that form must be altered to contain the following provision:

The Provisions found in Contractual Provisions Attachment (Form DA-146a, Rev. 07-19), which is attached hereto, are hereby incorporated in this contract and made a part thereof.

The parties agree that the following provisions are hereby incorporated into the contract to which it is attached and made a part thereof, said contract being the 1st day of July, 202023

1. **Terms Herein Controlling Provisions:** It is expressly agreed that the terms of each and every provision in this attachment shall prevail and control over the terms of any other conflicting provision in any other document relating to and a part of the contract in which this attachment is incorporated. Any terms that conflict or could be interpreted to conflict with this attachment are nullified.
2. **Kansas Law and Venue:** This contract shall be subject to, governed by, and construed according to the laws of the State of Kansas, and jurisdiction and venue of any suit in connection with this contract shall reside only in courts located in the State of Kansas.
3. **Termination Due To Lack Of Funding Appropriation:** If, in the judgment of the Director of Accounts and Reports, Department of Administration, sufficient funds are not appropriated to continue the function performed in this agreement and for the payment of the charges hereunder, State may terminate this agreement at the end of its current fiscal year. State agrees to give written notice of termination to contractor at least thirty (30) days prior to the end of its current fiscal year and shall give such notice for a greater period prior to the end of such fiscal year as may be provided in this contract, except that such notice shall not be required prior to ninety (90) days before the end of such fiscal year. Contractor shall have the right, at the end of such fiscal year, to take possession of any equipment provided State under the contract. State will pay to the contractor all regular contractual payments incurred through the end of such fiscal year, plus contractual charges incidental to the return of any such equipment. Upon termination of the agreement by State, title to any such equipment shall revert to contractor at the end of the State's current fiscal year. The termination of the contract pursuant to this paragraph shall not cause any penalty to be charged to the agency or the contractor.
4. **Disclaimer Of Liability:** No provision of this contract will be given effect that attempts to require the State of Kansas or its agencies to defend, hold harmless, or indemnify any contractor or third party for any acts or omissions. The liability of the State of Kansas is defined under the Kansas Tort Claims Act (K.S.A. 75-6101, *et seq.*).
5. **Anti-Discrimination Clause:** The contractor agrees: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001, *et seq.*) and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111, *et seq.*) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101, *et seq.*) (ADA), and Kansas Executive Order No. 19-02, and to not discriminate against any person because of race, color, gender, sexual orientation, gender identity or expression, religion, national origin, ancestry, age, military or veteran status, disability status, marital or family status, genetic information, or political affiliation that is unrelated to the person's ability to reasonably perform the duties of a particular job or position; (b) to include in all solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) to

comply with the reporting requirements set out at K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if the contractor is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract and the contract may be cancelled, terminated or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration; (f) Contractor agrees to comply with all applicable state and federal anti-discrimination laws and regulations; (g) Contractor agrees all hiring must be on the basis of individual merit and qualifications, and discrimination or harassment of persons for the reasons stated above is prohibited; and (h) if it is determined that the contractor has violated the provisions of any portion of this paragraph, such violation shall constitute a breach of contract and the contract may be canceled, terminated, or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration.

6. **Acceptance of Contract:** This contract shall not be considered accepted, approved or otherwise effective until the statutorily required approvals and certifications have been given.
7. **Arbitration, Damages, Warranties:** Notwithstanding any language to the contrary, no interpretation of this contract shall find that the State or its agencies have agreed to binding arbitration, or the payment of damages or penalties. Further, the State of Kansas and its agencies do not agree to pay attorney fees, costs, or late payment charges beyond those available under the Kansas Prompt Payment Act (K.S.A. 75-6403), and no provision will be given effect that attempts to exclude, modify, disclaim or otherwise attempt to limit any damages available to the State of Kansas or its agencies at law, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose.
8. **Representative's Authority to Contract:** By signing this contract, the representative of the contractor thereby represents that such person is duly authorized by the contractor to execute this contract on behalf of the contractor and that the contractor agrees to be bound by the provisions thereof.
9. **Responsibility for Taxes:** The State of Kansas and its agencies shall not be responsible for, nor indemnify a contractor for, any federal, state or local taxes which may be imposed or levied upon the subject matter of this contract.
10. **Insurance:** The State of Kansas and its agencies shall not be required to purchase any insurance against loss or damage to property or any other subject matter relating to this contract, nor shall this contract require them to establish a "self-insurance" fund to protect against any such loss or damage. Subject to the provisions of the Kansas Tort Claims Act (K.S.A. 75-6101, *et seq.*), the contractor shall bear the risk of any loss or damage to any property in which the contractor holds title.
11. **Information:** No provision of this contract shall be construed as limiting the Legislative Division of Post Audit from having access to information pursuant to K.S.A. 46-1101, *et seq.*
12. **The Eleventh Amendment:** "The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the State to reiterate that nothing related to this contract shall be deemed a waiver of the Eleventh Amendment."
13. **Campaign Contributions / Lobbying:** Funds provided through a grant award or contract shall not be given or received in exchange for the making of a campaign contribution. No part of the funds provided through this contract shall be used to influence or attempt to influence an officer or employee of any State of Kansas agency or a member of the Legislature regarding any pending legislation or the awarding, extension, continuation, renewal, amendment or modification of any government contract, grant, loan, or cooperative agreement.

IN WITNESS WHEREOF, the parties to this agreement have caused the same to be signed by authorized representatives thereof.

UNIFIED SCHOOL DISTRICT NO. 410

Marion County, Kansas

Jared Jost
President, Board of Education

Jerry Hinerman
Clerk, Board of Education

RESOLUTION

WHEREAS, K.S.A. 12-2901 et.seq. and K.S.A. 72-13,100, as amended, authorize the boards of education of two or more unified school districts to enter into a school district Interlocal cooperation agreement; and

WHEREAS, the Board of Education of Unified School District No. 410, Marion County, Kansas believes it would be in the best interests of said school district to approve the attached school district Interlocal cooperation agreement.

NOW, THEREFORE, be it RESOLVED that Unified School District No. 410, Marion County, Kansas, agrees to be bound by the provisions of the attached school district Interlocal cooperation agreement for the Technology Excellence in Education Network, effective July 1, 2023.

Approved this 10th day of October, 2022, by the Board of Education of Unified School District No. 410.

Jared Jost
President, Board of Education

Attest:

Jerry Hinerman
Clerk, Board of Education

TECHNOLOGY EXCELLENCE IN EDUCATION NETWORK
September 21, 2022, Regular Board Meeting Minutes
USD 410 Durham – Hillsboro – Lehigh District Office
6:00 p.m.

Members Present:

Mark Wendt, Chairperson (via Zoom)
Jessey Hiebert (via Zoom)

Jan Helmer (via Zoom)
Stacey Parks (via Zoom)

Member Absent:

Eric Carlson

Others Present:

Lena Kleiner, Director

Jerry Hinerman, Clerk

1. Call to Order

Mark Wendt called the meeting to order at 6:02 p.m.

2. Approval of Agenda

Jan Helmer moved to approve the agenda. Motion seconded by Jessey Hiebert. Carried 4-0.

3. Approval of Board Minutes

Jan Helmer moved to approve the minutes of the August 17, 2022, regular board meeting. Motion seconded by Stacey Parks. Carried 4-0.

4. Approval of Payment of Bills and Financial Reports

Jan Helmer moved to approve the payment of bills totaling \$9,608.78 and the September 21, 2022, Income and Expense Reports. Motion seconded by Jessey Hiebert. Carried 4-0.

5. Business Items

a. Disposal of Equipment

Jessey Hiebert moved to approve the disposal of the following equipment. Motion seconded by Jan Helmer. Carried 4-0.

- 1 VSX 7000 Polycom and Cables
- 2 HDX 8000 Polycoms and Cables
- 2 Polycom Cameras and Cables
- 9 Polycom Microphones and Cables
- 3 Polycom Remote Controls
- 1 USB Desk Camera
- 1 Adjustable Laptop Stand

b. TEEN Interlocal Agreement

Jan Helmer moved to approve the TEEN Interlocal Agreement. Motion seconded by Stacey Parks. Carried 4-0.

6. Other/Discussion

- a. Fall Online Class Enrollments
- b. TEEN Virtual Academy Update
- c. Teacher Shortage Planning

7. Next Meeting

September 21, 2022, Regular Board Meeting Minutes
Page 2 of 2

8. Adjournment

Mark Wendt adjourned the meeting at 6:20 p.m.

Jerry Hinerman, Clerk

**Marion County Special Education Cooperative #617
Board of Directors Regular Meeting
MINUTES**

MCSEC Conference Room at 6:30 p.m.

September 19, 2022

(These minutes are unofficial until approved by the Board of Directors)



Members Present: Terry Deines, Duane Kirkpatrick, Maynard Knepp, Jared Jost, Donna Glover

Members Absent:

Others Present: Shayla Hodges, Board Clerk; Dr. Robert Diepenbrock, Interim Director;
Jennifer Shipman, Business Manager

I. Call to Order

Terry Deines called the meeting to order at 6:33 p.m. in the MCSEC Board Room.

II. Adoption of the Agenda (AI)

Duane Kirkpatrick moved to approve the amended agenda, as presented, seconded by Donna Glover.

Motion carried 5-0.

III. Public Participation (Open Forum) (IO)

No public participation.

IV. Consent Agenda (AI)

A. Approve Minutes of the August 15, 2022 Regular Meeting; August 23, 2022 Special Meeting; September 1, 2022 Special Meeting

B. Classified Staff Resignations, Dismissals

i. Kayla Ratzlaff, Paraprofessional

ii. Denise Soules, Paraprofessional

C. Classified Staff Appointments

i. Amanda Gehrke, Paraprofessional

ii. Tamara Zielke, Paraprofessional

iii. Cathy Ludwig, Paraprofessional

iv. Patricia Nystrom, Interpreter (Substitute)

D. Approve Treasurer's Report and Payment of Bills/Approve Journal Entries

E. Approve Check Resolution

F. Approve Staff Committees

i. PDC Committee: Kristen Lindsay, Stacey Parks, Kim Smith, and Shayla Hodges

- ii. Illness & Disability Pool Committee: Sandra Ruder, Dr. Robert Diepenbrock, Kurt Herrel, and Kristen Lindsay
- iii. Autism Team: Teresa Moritz, Robert Haude, Kristy Andres, Larry McManaman, Callie Coleman, Kristie Butler, and Anne Janzen
- iv. Assistive Tech Committee: Teresa Moritz and Stacey Parks

Maynard Knepp moved to approve the consent agenda, as presented, seconded by Donna Glover.

Motion carried 5-0.

V. Discussion/Action

A. Itinerant Staff Wages (AI)

Duane Kirkpatrick moved to approve the itinerant staff wages as discussed and determined, seconded by Donna Glover.

Motion carried 5-0.

B. Federal Mileage Rate (AI)

Donna Glover moved to approve the mileage reimbursement rate of \$0.625 per mile, effective October 1, 2022, seconded by Maynard Knepp.

Motion carried 5-0.

C. 2022-2023 Negotiated Agreement (AI)

Duane Kirkpatrick moved to approve the negotiated agreement as proposed by the Board Negotiations team and approved by the staff bargaining unit, seconded by Donna Glover.

Motion carried 5-0

D. Substitute Rates (AI)

Donna Glover moved to approve the classified and certified substitute rates, as presented, seconded by Maynard Knepp.

Motion carried 5-0.

VI. Executive Session (IO)

A. Personnel

Terry Deines moved to go into executive session at 6:50 p.m. to discuss individual employees' performance as justified by the non-elected personnel exception under KOMA, with Dr. Robert Diepenbrock and the Board Members present, and to return to open session at 7:00 p.m. in this room. The executive session is required to protect the privacy interests of an identifiable individual(s). Motion seconded by Jared Jost.

Motion carried 5-0.

At 7:00 p.m. Terry Deines declared the meeting out of Executive Session.

Terry Deines moved to go into executive session at 7:01 p.m. to discuss individual employees' performance as justified by the non-elected personnel exception under KOMA, with Dr. Robert Diepenbrock and the Board Members present, and to return to open session at 7:06 p.m. in this room. The executive session is required to protect the privacy interests of an identifiable individual(s). Motion seconded by Jared Jost.

Motion carried 5-0.

At 7:06 p.m. Terry Deines declared the meeting out of Executive Session.

Terry Deines moved to go into executive session at 7:07 p.m. to discuss individual employees' performance as justified by the non-elected personnel exception under KOMA, with Dr. Robert Diepenbrock and the Board Members present, and to return to open session at 7:12 p.m. in this room. The executive session is required to protect the privacy interests of an identifiable individual(s). Motion seconded by Jared Jost.

Motion carried 5-0.

At 7:12 p.m. Terry Deines declared the meeting out of Executive Session.

Terry Deines moved to go into executive session at 7:13 p.m. to discuss individual employees' performance as justified by the non-elected personnel exception under KOMA, with Dr. Robert Diepenbrock and the Board Members present, and to return to open session at 7:18 p.m. in this room. The executive session is required to protect the privacy interests of an identifiable individual(s). Motion seconded by Jared Jost.

Motion carried 5-0.

At 7:18 p.m. Terry Deines declared the meeting out of Executive Session.

No action taken.

VII. Director/Board Discussion/Comment/Other actions as needed

A. Director's Contract (AI)

Jared Jost moved to approve the Director's contract, as proposed, seconded by Donna Glover.

Motion carried 5-0.

VIII. Next Meeting, October 17, 2022 at 6:30 p.m. in the MCSEC Board Room

IX. Adjournment

Terry Deines adjourned the meeting at 7:28 p.m.

Terry Deines, Board President

Date

Shayla Hodges, Board Clerk

Date